A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

November 20, 1967

KENNEDY ROUND BOOSTS EXPORT POTENTIAL FOR

industrial machinery
scientific instruments
electrical apparatus
transportation equipment
forestry products
chemicals

International Trade Winds Newsletter

Company News

AIRCRAFT EQUIPMENT—Honeywell, Inc., Minneapolis, has announced plans to work jointly with Smith Industries, Ltd., of Britain, to develop and market automatic flight control systems for commercial transport aircraft. The agreement includes exchange of technical information and joint production of advanced all-weather flight and landing instruments. The new systems will be designed for use in aircraft now in the planning stage, including large planes in the 200-350 passenger category.

MAGNETIC MATERIALS—General Electric Co.'s Magnetic Materials Business Section, Edmore, Mich., has announced that Hitachi Metals, Ltd., Tokyo, will develop a market for Lodox permanent magnets in Japan. Lodox is the overseas trademark for GE's elongated single domain permanent magnets, sold in the United States under the brand name Lodex. The magnets are finding increasing use in applications requiring extremely close magnetic and physical tolerances, small size, and intricate shapes. GE is also seeking applications for Lodox magnets in Europe.

CONSTRUCTION ENGINEERING—Badger, Ltd., London, a subsidiary of The Badger Co., Inc., Cambridge, Mass., has been awarded a contract for design, engineering, procurement, and construction of a new polybutenes plant in Scotland. The plant, to be operated by BP Chemicals (U.K.), Ltd., will be built at Grangemouth, in Stirlingshire. The $4.9 million installation will have an annual capacity of 35,000 tons of polybutenes, using a process licensed by Cosden Oil and Chemical Co., Big Spring, Texas.

COMMUNICATIONS—Standard Telephones and Cables, Pty., Ltd., an Australian subsidiary of International Telephone and Telegraph Corp., New York, has conducted in Singapore the first public demonstration of a "do-it-yourself" radio broadcasting station for remote areas of developing countries. The station was brought to Singapore for demonstration to delegates to the Fourth Asian Broadcasting Union Conference. The equipment is designed to be set up in one hour, and can be operated by nontechnical personnel.

It was the Indian sign in Ireland and a Jinx in Australia. Bad luck overseas? Not at all. Just a summary of this fall's America Weeks in department stores abroad, arranged by Commerce's Office of International Trade Promotion. A troupe of Indians helped sell U.S. goods in Arnott's in Dublin, and entertainment star Jinx Falkenburg turned attention (with two U.S. models) to American products at George's in Melbourne and the David Jones stores in several Australian cities. America Weeks also has promotions this fall at the A. Gerngross store, Vienna, and Shalom Department Store, Tel Aviv, Israel.

Add Illinois to the list of states with trade promotion offices abroad. Brussels is the place, and early January the expected opening date. The Export Expansion Division of the Illinois Department of Business and Economic Development aims to build sale of Illinois products, and help the state's ports and tourist facilities. Brussels was picked, says the sponsoring office because it is "the unofficial economic capital of Europe, headquarters for the European Common Market and NATO."

Texas leads the way in "Plant Tours for International Visitors to the United States," new directory published by the U.S. Travel Service. It has 548 tours, and is followed by California, 369; Georgia, 234; Puerto Rico, 216; Ohio, 200; North Carolina, 181; Wisconsin, 168; Washington, 166; Kentucky, 136, and New York, 131. Interested in adding your plant to the list? Write Visitor Services Division, U.S. Travel Service, Washington, D.C. 20230. The directory is for sale at 60 cents by Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Interested in up-to-date information on the business, investment scene in India? Supplement the data in our pages with that from the Indian Investment Centre Newsletter. It's compiled by professionals in India, and covers such things as government interim budget estimates, licensing notes, capital gains concessions, Reserve Bank of India surveys, facts on electronics, fertilizers and industrial products, and specific investment opportunities. The monthly letter is available from Indian Investment Centre, 708 Third Ave., New York, N.Y., at $5 per year.

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in this issue

Kennedy Round tariff negotiation results have been featured in several issues of INTERNATIONAL COMMERCE since the GATT talks concluded at Geneva on June 30. The July 10 issue reported the highlights of the negotiations, and the July 31 issue contained a special section offering country-by-country summaries of the important concessions. Now the Department of Commerce's commodity specialists have focused the Kennedy Round results against opportunities for expanding exports in a number of promising fields. These reports begin on Page 2.

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Special Report

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Kennedy Round reviewed

Series of articles by commodity specialists focuses on fields of high export potential

The massive results of the GATT Kennedy Round negotiations have been unfolding before the U.S. trading community in a continuing flow of reports, schedules, analyses and assessments, ever since the June 30 ceremony of conclusion at Geneva.

INTERNATIONAL COMMERCE reported the highlights of the negotiations in its July 10 issue. A special Kennedy Round issue followed on July 31, presenting country-by-country summaries of concessions, by the EEC as a unit, by France, Germany, Italy, Belgium-Luxembourg, the Netherlands, the United Kingdom, Sweden, Norway, Denmark, Finland, Austria, Switzerland, Canada, Japan and Latin America.

Further assessment of the Kennedy Round results, by Department of Commerce commodity specialists, has focused attention on broadened opportunities in a number of U.S. industries considered to have particularly high potential for the expansion of American exports. Studies carried out from this standpoint are summarized in a series of articles on the following pages.

Secretary's comment

Commenting recently on the upshot of the Kennedy Round negotiations, Secretary of Commerce Alexander B. Trowbridge spoke of the complex nature of international trade and how it rules out easy evaluations:

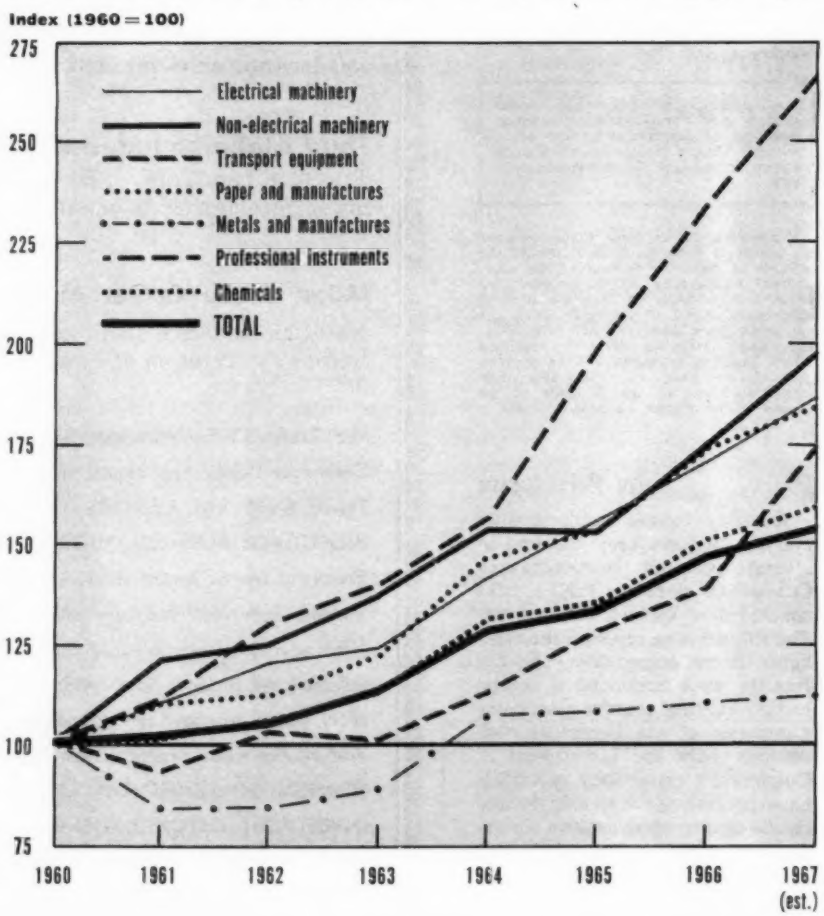
"Because of this complexity, and the many different kinds of markets involved, it is almost impossible to use numbers with precision in trying to estimate the trade stimulus that will be generated by the Kennedy Round. A small tariff reduction on one product may be more important in some instances than a relatively large reduction in another area. Trends in taste and technology can quickly change the status of a product. One thing is certain: the volume of commerce will be greater than it would have been without these tariff concessions."

Secretary Trowbridge said that tariff changes are to be made in gradual stages between now and 1972, permitting U.S. and foreign companies to make orderly adjustments despite the sweeping nature of some of the changes.

"The recent experience of the European Economic Community provides a good illustration of what happens when tariff walls are broken down," he said. "From 1958 to 1963, total free world trade increased about 42 percent, but the movement of goods between Common Market countries rose about 100 percent. In those five years, the Common Market countries gradually reduced their tariffs until they had effected a 50 percent cut. By 1966, with tariffs still falling, trade within the Common Market was more than triple the 1958 level.

"We will definitely need some truly aggressive marketing by American com-

Index of U.S. exports of leading commodity groups



panies in order to take advantage of these new trading opportunities. In addition, we probably will see some adjustments and realignments within some firms after they have assessed their position in relation to the new tariff rates. For example, there should be some changes in the export-investment equation—with more weight given to the export side."

The Secretariat of the General Agreement on Tariffs and Trade has estimated that the new agreement covers more than $40 billion in world trade, that the tariffs applicable to 70% of the dutiable imports of the major participants in the Round are affected, that two-thirds of the tariff reductions amount to 50% or more, and that nations making concessions account for 75% of world trade.

The results of the agreement strike this same note of significance when viewed in terms of the export trade of the United States. It is estimated that almost $7 billion of our industrial exports (based on 1964 trade) will benefit from tariff concessions. These concessions apply to about 75% of our nonagricultural exports to the industrialized countries (excluding trade in those items which were already bound duty-free in previous negotiations).

Important cuts

The results are particularly satisfying in terms of export opportunities. While the average tariff cut applicable to industrial products will be approximately 35%, the United States fared better than that average in precisely those industries in which we are successful exporters and which, therefore, exhibit the greatest potential for increasing export sales in key markets.

Thus, cuts averaging more than 35% were obtained for machinery of all types; electrical apparatus; transportation equipment; scientific instruments and industrial control equipment, and office equipment.

The tariff reductions by our principal trading partners that apply to chemicals will also be greater than 35% in the event that the United States eliminates its American Selling Price system of valuing imports of benzenoids for tariff purposes. In general, the more modest reductions achieved for leather, textiles, glass and ceramics, and iron and steel fall in areas where our export potential is less pronounced.

Although the following articles are devoted only to selected commodity groups thought to have the greatest export interest, Kennedy Round tariff reductions were of benefit to U.S. exporters in almost all fields. Details on fields and products not covered in these articles can be obtained by following the instructions in the box in the third column at right.

U.S. machinery sales expected to get top Kennedy Round boost

Cuts by industrialized countries leave few tariffs above 10%; prime importers Canada, Japan, EEC, EFTA, made concessions

Of all the industrial field affected by the Kennedy Round negotiations, machinery is considered to have fared the best, both with respect to overall coverage and depth of tariff cut.

In the field of nonelectrical machinery, the total trade available for concession by the major participants covered imports amounting to more than $5 billion in 1964. Concessions were granted on about $4.8 billion of this total, with imports from the United States accounting for $1.6 billion.

The Kennedy Round cuts on machinery should be of particular benefit to our export trade, which has been growing rapidly in recent years. Most of this trade increase is accounted for by greater sales to industrialized countries such as Japan, Canada and the members of the EEC and the EFTA, all of whom made significant tariff reductions in the Kennedy Round.

Among the commodities showing good export potential on which cuts were received are: pumps and compressors, agricultural machinery, refrigerating and airconditioning equipment, earth moving, mining, and materials handling equipment, machine tools, machinery for the food-processing, chemical and paper industries, typesetting and printing machinery, and office equipment.

Although individual commodities fared differently depending on the country involved, certain general conclusions can be reached about machinery. The great bulk of tariffs in the EEC were reduced by 50% and the rates for most commodities now range between 5 and 6%, with virtually no rates exceeding 10%.

The U.K., in addition to simplifying its tariff, reduced it in most instances by 40-50%, with the bulk of machinery items now dutiable at 7.5%. There are only isolated cases of rates still more than 10%. Japan also cut substantially in this field, with numerous 50% reductions and established rates for many items at the 7.5% level. Canada also took significant action in the field of production machinery; details of the Canadian action are given separately in the article on page 6. Rates in the Nordic countries, after the cuts, will range between 5% and 10%, while Swiss cuts bring the level of their machinery tariff to between 2 and 3%, with very few rates exceeding 5%.

Food-processing and agricultural machinery: With modernization of agriculture proceeding at a rapid pace, and more affluent consumers increasing the demand for highly processed convenience foods, there is good export potential for specialized machinery in the EEC countries, the EFTA countries and Japan. With the exception of the U.K., all the above-mentioned countries cut in half

Kennedy Round data

For information on projected foreign country tariff rates for *specific products* resulting from the Kennedy Round, contact the nearest Department of Commerce Field Office or write to the Office of International Regional Economics, Bureau of International Commerce, Washington, D.C. 20230.

Specify particular country of interest. Give complete product description, including appropriate details on constituent materials. Include, if possible, descriptive literature. It would also be helpful if products could be identified in terms of the Brussels Tariff Nomenclature, the U.N. Standard International Trade Classification, or the U.S. Schedule B export commodity number.

Countries for which information is currently available are: Argentina, Austria, Australia, Brazil, Canada, Chile, Czechoslovakia, Denmark, Dominican Republic, EEC (includes Benelux, France Germany, and Italy), Finland, Iceland, India, Ireland, Israel, Jamaica, Japan, Korea, Malawi, New Zealand, Norway, Peru, Portugal, South Africa, Spain, Sweden, Switzerland, Trinidad and Tobago, Turkey, United Kingdom, and Yugoslavia.

EARTHMOVING MACHINERY, which has good export potential, is among equipment benefiting from Kennedy Round tariff cuts. Above, U.S. machinery at work on roadbuilding project in Iran.

their duties on cultivating, harvesting and threshing machinery, with the EEC dropping to 4.5% and Japan to 7.5%.

The United States should have an opportunity of increasing its exports of food-processing and food-packaging equipment as a result of 50% tariff reductions, bringing the tariff level to 5-6% in the EEC, and 7.5% in the U.K. and Japan. The smaller EFTA countries also made substantial reductions.

Machine tools: Although the machine tools area did not receive as substantial reductions as other machinery areas, the concessions obtained should be helpful to U.S. exporters. The EEC reduced its rates on most types of metalworking machine tools. The categories in which imports from the United States have been the largest were lathes, reduced to 7%; milling, drilling and boring machines, to 8%; coiling, bending, banking machines to 3%; and reaming machines to 3%.

Some exclusions made

The value of the EEC concessions on machine tools was, however, diminished by the exclusion from concessions of all numerically controlled machine tools, the area in which market potential is clearly the most significant. Nevertheless, given the generally low level of duties in the EEC, i.e. between 3 and 8%, it is expected that imports of U.S.-made numerically controlled tools will continue to increase regardless of tariff.

The U.K. made modest cuts in metalworking machine tools to a level of 9%; and the other EFTA countries made substantial reductions to levels, generally between 5 and 10%. The Japanese made important reductions on machine tools, but gave smaller or no concessions at all on those tools operated by numerical control systems.

Office machinery: U.S. exports of office equipment have shown good growth in recent years, and reductions obtained in the Kennedy Round should assist exporters in further developing the market for certain types of specialized equipment. Electric typewriters received tariff cuts of close to 50% in most markets, with rates dropping to 6.5% in the EEC, 7.5% in the U.K. and Switzerland, and 5% in Sweden. Statistical machines using punch cards will drop to 7% in both the U.K. and the EEC. For certain types of calculating and accounting machines, the U.K. will halve its tariff to 7.5%; the EEC will go to 5.5%, and Japan to 7.5%.

While computer tariffs will remain unchanged in the major markets, 50% cuts will aid sales in smaller but fast growing markets such as Switzerland, Sweden, Norway, and Denmark. For miscellaneous types of office machinery such as duplicating machines and addressing machines, rates were generally halved to a 6% level in the EEC, 7.5% in the U.K. and Japan, 5% in Sweden, and less than 2% in Switzerland.

Miscellaneous machinery: Rapid industrial development in the EEC, Japan and most of the EFTA countries have kept demand at high levels, and the close-to-50% tariff cuts achieved in this area should aid U.S. exporters in further developing these markets.

In almost all instances tariffs have now been brought down to levels ranging between 5% and 8%. Machinery and equipment thought to have especially good export potential and which benefited from the cuts include: materials handling equipment, machinery for the chemical and paper industries, mining and earthmoving machinery, and printing machinery.

Glossary of Terms

Some terms in use here defined:

Concession—A commitment by a Kennedy Round participating nation. It takes the form either of a specific reduction in a rate of duty on a product, or a commitment that the rate of duty will not be increased or, if the product is duty-free that it will remain so.

Binding—The second type of concession described above is known as a binding, in which the duty rate is fixed in the tariff schedule against any increase.

Available for concession—A term used to indicate the amount of a country's import trade on which concessions could have been made, that is, imports of dutiable products plus imports of products for which the existing duty-free treatment had not been previously bound.

American Selling Price—A method of customs evaluation applied to a product imported into the U.S. and found by the Bureau of Customs to be competitive with a domestic product, on which the ad valorem rate of duty is applied to the wholesale price of the competitive domestic product—the American selling price. It is applied to only four categories of products—benzenoid chemicals, rubber-soled footwear, and certain canned clams and wool-knit gloves.

Major Participants—Included in this grouping are the EEC (France, Germany, Italy, Belgium, the Netherlands, and Luxembourg), the EFTA countries (United Kingdom, Norway, Sweden, Denmark, Finland, Switzerland, and Austria but excluding Portugal), Japan and Canada.

Electrical machinery, an export growth leader, to get new boost

U.S. sales abroad have more than doubled in past decade; duties on most top sellers will be cut by our major customers

The attention which the Kennedy Round negotiators paid to trade in electrical machinery reflects the growing importance of this equipment in total world trade.

Most commodities falling within this category received significant reductions in duties, and the overall coverage was good. Of total imports valued at $2.2 billion in 1964 available for concession by the major participants, concessions were granted on $1.9 billion, of which $615 million comprised imports from the U.S.

Exports grow rapidly

Exports of electrical machinery and equipment from the U.S. have grown fast, more than doubling in the past decade. The types of equipment which have found the largest export markets and seems to have the greatest potential for expansion are telecommunications equipment, power machinery, switchgear and electronic components (measuring and control instruments are covered on p. 12).

Telecommunications Equipment: Substantial tariff cuts were achieved in this sector. In one of our most rapidly growing markets, Canada, the duty on electric telephone and telegraph apparatus was reduced to 17.5%. Television apparatus was cut to 15%; Canada accounts for over half our exports.

In the important EEC market where our sales have been increasing, the rate on radio transmitter receivers will drop from 16% to 11%, on television cameras from 14% to 7%, and on other radio apparatus from 13% to 10%. The U.K. will drop to 15% on similar equipment while the Japanese will go to between 7.5% and 10% on radio equipment, with the exception of that used for aviation purposes.

The Nordic countries and Switzerland also cut their tariffs on telecommunications equipment.

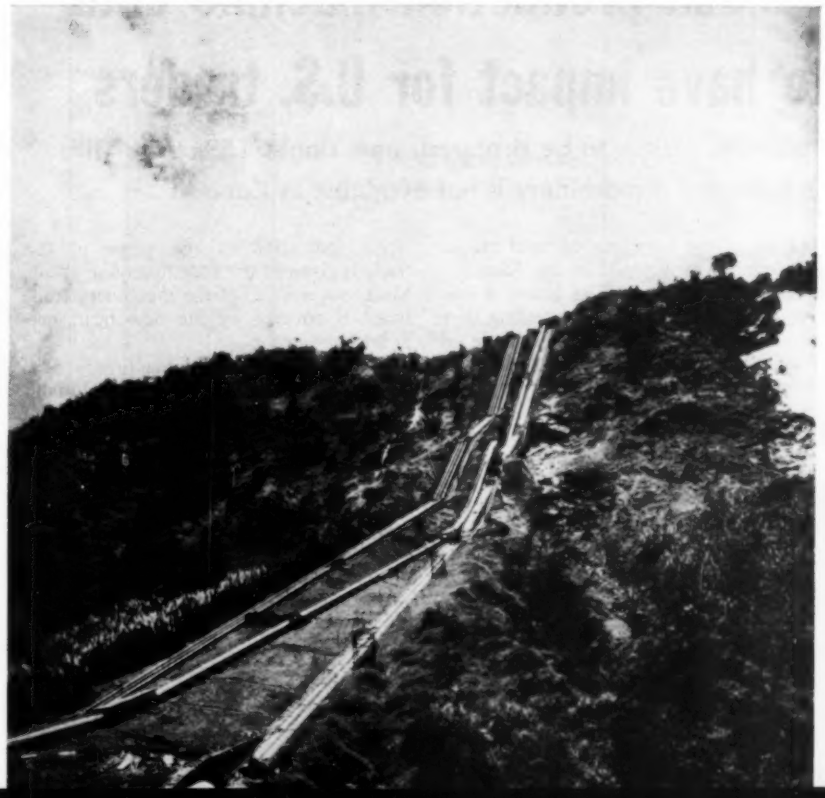
Power machinery: Canada, our major market, reduced most of its duties on this type of equipment from 22.5% to 15%. EEC duties on generators and motors dropped from 10-11% to 5-8.5%. Most imports will probably enter at the lower end of the range. The U.K. rate for similar equipment went from 17.5% to 10% and the Japanese made 50% cuts on most items.

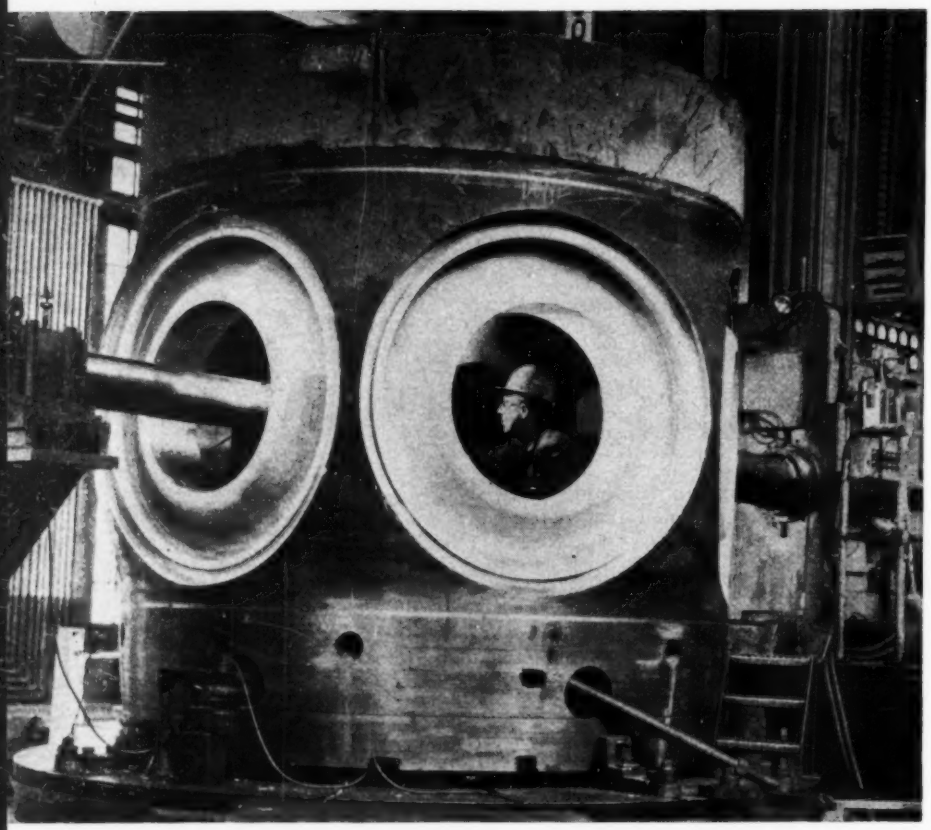
Switchgear equipment: Tariff cuts of 50% were achieved in our major markets for most products in this category. The EEC reduced tariffs on electrical apparatus for making, breaking or protecting electrical circuits from a range of 11-13% to a level of 5.5-8%. The U.K. halved its duty to 8% and the Japanese level went to 7.5%.

Electronic components: The EEC halved its 15% rate on valves and tubes, excluding cathode ray tubes; the U.K. reduced its high 25% rate on all tubes to 12.5% and Japan also cut by 50% to levels of 10 and 15%. The EEC gave a reduction from 12% to 8% on parts for tubes and valves.

Electrical capacitors: The U.S. will benefit from the substantial reduction in the tariffs on electrical capacitors granted by the EEC, the U.K. and Japan. The duty was halved by the EEC to 7%, by Japan to 7.5%, and the U.K. agreed to a reduction from 16% to 12.5%.

TELECOMMUNICATIONS EQUIPMENT, such as the telephone exchange being wired in El Salvador (above) will benefit from substantial Kennedy Round tariff concessions. Hydroelectric projects like the Colombian installation pictured below will become riper markets for U.S. equipment following tariff cuts.





SOME U.S. MACHINERY EXPORTS TO CANADA will benefit from Kennedy Round duty changes. This Allis-Chalmers unit is final turbine to be installed in utility's Grand Rapids, Manitoba, generating station.

Canada production machine cuts to have impact for U.S. traders

Dual rate system to be dropped; new single 15% rate will be refunded if machinery is not available in Canada

Of all of the hundreds of tariff reductions offered by Canada in the Kennedy Round, none will cover as heavy a volume of trade or affect more traders than the concessions scheduled to be made on production machinery. This action deserves special attention in any study of Kennedy Round results.

The tariff changes will apply to imports from the United States which in 1966 reached $546 million out of total Canadian machinery imports from the United States valued at about $1.2 billion. Almost a quarter of a million separate Canadian import entries contributed to these totals.

An indication of the scope of this trade is given in the accompanying graph. Most, but not all, of the machinery trade listed is covered by the new tariff proposals.

At the present time, machinery of a class or kind made in Canada is dutiable at 22½%, while machinery of a class or kind not made in Canada may enter at 7½%. Machines are considered to be of a class or kind made in Canada, and thus subject to the higher rate, if it is determined that Canadian industry produces 10% or more of normal domestic requirements. Otherwise, the machines would qualify for entry at 7½%.

This dual rate system will be replaced by a single rate of 15%, except that the entire duty will be refunded on machinery determined by a special review board to be not available in Canada.

As a result of the restructuring of the Canadian tariff, 20 separate tariff classifications will be replaced by the following new classification—"42700-1; machines, not otherwise provided for and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing." The tariff items which will disappear are shown in the following story.

Cuts effective Jan. 1

Most of the other Canadian tariff cuts coming out of the Kennedy Round will be staged gradually over a five-year period, but the new rates on production machinery are expected to take immediate effect on Jan. 1, 1968. The new 15% levy and the remission provisions not only represent a sizeable reduction from the current 22½% and 7½% duties, but they are also the latest step in a long history of negotiating the Canadian rate on machinery downward from the pre-World War II level of 35%.

Canada has not yet formally spelled out the criteria it will follow for ruling that a particular machine is or is not available in Canada.

However, as an assurance to the United States that there will be no wholesale increase of duties to 15% on those machinery items currently entering at 7½%, Canada has agreed to maintain an average incidence of duty between 0-15% which will not exceed 9%. This would be considerably below the average incidence under the present 22½% and 7½% arrangement.

Review board to administer

The advanced technological capabilities of the United States machinery industry make it likely that there will always be a large portion of machinery shipped to Canada which would qualify for remission of the 15% import duty because they are not available in Canada. Past experience under the 10% criteria described above has shown that 50% or more of Canadian machinery imports from the United States have qualified for the 7½% duty as being of a "class or kind not made in Canada."

The legislation setting up the Canadian production machinery Review Board is expected to be presented to Parliament soon. Following Parliamentary approval, the Review Board will begin to operate Jan. 1, when the new production machinery tariff schedule is due to go into effect.

It is contemplated that the board will be headed by a chairman who is an expert in trade policy but not now connected with the Government. The board itself will be composed of representatives from the Departments of Trade and Commerce, National Revenue, Finance and Industry.

The board will receive applications for rulings directly from importers. It will then institute an investigation to determine whether or not the product concerned qualifies for remission of the 15% duty. The board will also make determinations on applications in advance of importation, so that costs can be ascertained and no duty will be collected at the border for machinery qualifying as not available in Canada.

Obviously many considerations will come into play in making such determinations. Included is a decision not only as to whether a similar product is made in Canada but also if it is available to the importer within a reasonable length of time.

The board will avoid legalistic determinations in order to judge each case individually according to its unique circumstances. Although the Government expects the board to act with dispatch in each case, it will not set any arbitrary time limits to the procedure.

Machinery of a class or kind made in Canada is dutiable at 10% when imported from countries entitled to the British Commonwealth Preferential rates of the Canadian tariff. This results in a 12½ margin-of-preference when compared to the 22½ duty on imports from the United States and other most-favored-nation countries.

Commonwealth advantage

The margin-of-preference on machinery of a class or kind not made in Canada is 7½% points, which amounts to free entry on imports from British Commonwealth countries versus a 7½% levy on imports from most-favored-nations.

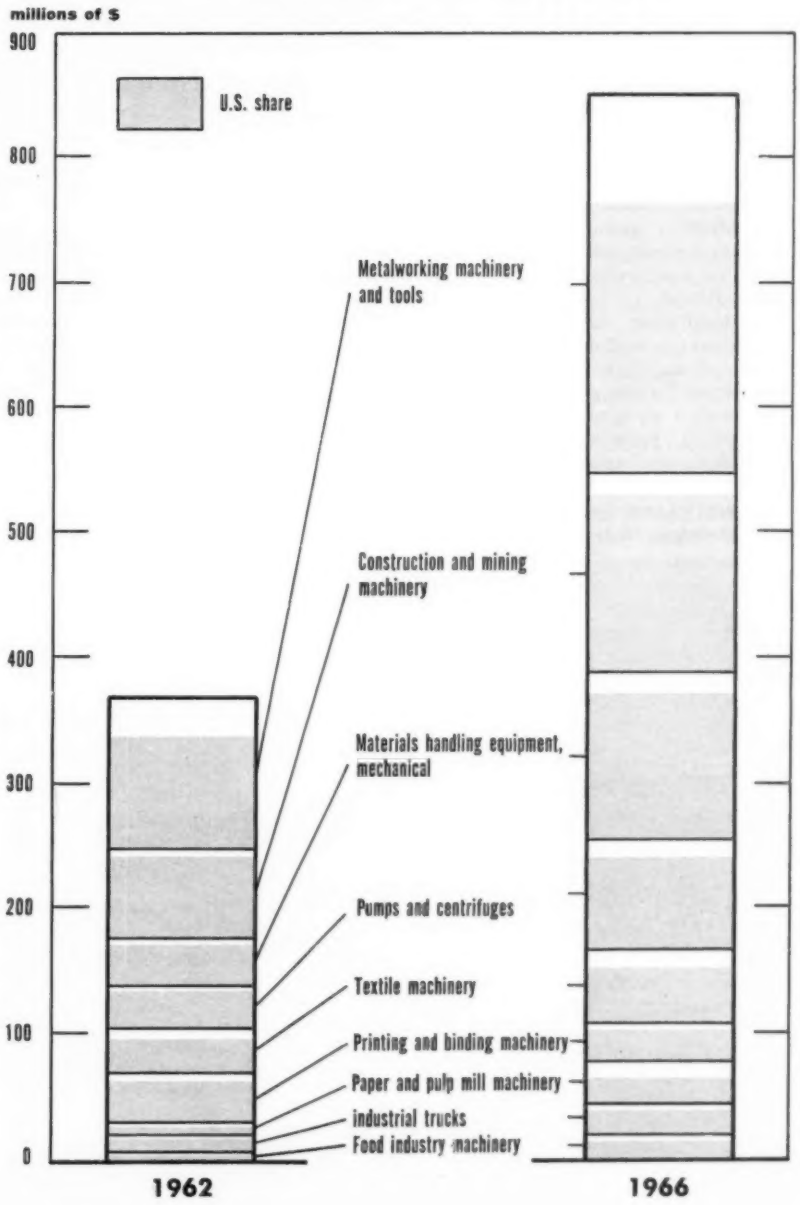
Under the new system, the British preferential duty of 10% will be reduced to 2½%, i.e. compared to the 15% charge on most-favored-nation machinery. This reduction maintains the 12½-point margin on machinery of a kind available in Canada. As in the case of most-favored-nation origin goods, British machinery of a kind not available in Canada will also be eligible for remission of the duties collected at the 2½% rate. In effect, then, the 7½ percentage point margin of preference on machinery not available in Canada will be eliminated.

The reductions on machinery were, of course, part of Canada's reciprocal payment in the Kennedy Round for concessions received from the United States. However, this was not Canada's only motivation for placing the offers on the Kennedy Round table. Another motive was the desire to make it easier for Canadian factory owners to purchase the needed production machinery. While Canada specializes in the production of primary goods—pulp and paper, mining and oil products, wheat and other farm goods—Government policy aims at assuring that a greater share of Canadian output be in the form of finished industrial goods. The reduction of the duties on production machinery is intended to facilitate this development.

On June 1, in a unilateral action separate from the Kennedy Round, Canada removed the 6% sales tax on production machinery which had been applied to domestic as well as imported machinery.

The new 15% duty is an important development in Canadian tariff policy,

U.S. share of selected Canadian imports



and sets a new basic tariff standard, serving as a guideline for establishing new duties on related machinery products. Thus, in the interest of creating a logical tariff structure, Canada was able to proceed toward the reduction of 22½% and 20% duties on an impressive list of related products.

As a result, the Kennedy Round witnessed the establishment of 15% duties on electric dynamos, generators, transformers and motors; electric control equipment such as is used in automated production machinery; diesel and other engines and boilers; welding apparatus; dairy equipment; and printing machinery.

Imports of these items from the U.S. are estimated at $160 million.

New Canada tariff item combines 22 production machine classes

Most-favored-nation rate will be 15%; British preferential, 2½%; duty refund given on imports of kind not available in Canada

Twenty-two individual Canadian tariff items covering a wide variety of important production machinery have been replaced by a single new tariff item which features the lower rates agreed to in the Kennedy Round.

New tariff item 42700-1, which is scheduled to go into effect Jan. 1, will read as follows: "Machines, not otherwise provided for and accessories, attachments, control equipment and tools for use therewith; parts of the foregoing." The most-favored-nation rate will be 15% and the British preferential rate will be 2½%.

A full refund of these duties will be made on imports ruled to be of a kind not available in Canada.

Present tariff items which will be included in the new classification, together with the present most-favored-nation and British preferential duties, are:

42200-1: Street or road rollers and complete parts, 20%, Free;

42205-1: Concrete road-paving machines, self-propelling, end-loading type, with a capacity of 21 cu. ft. of wet concrete or more; concrete and asphalt road finishing machines; form graders; excavating and transporting scraper units; concrete mixers; dump wagons or trailers, not self-propelled; back-filling machines and equipment; steam or air driven pile hammers or extractors; truck turntables; all the foregoing of a class or kind *not* made in Canada, parts thereof, 7½%, Free;

42701-1: All machinery composed wholly or in part of iron or steel, not otherwise provided for; parts of the foregoing, 22½%, 10%;

42701-2: Parts, not including moulds, for concrete block-making machines, 15%, 10%;

42702-1: Seed and grain cleaning machines; parts of the foregoing, 15%, 10%;

42703-1: Industrial trucks, gas or gasoline powered, commonly known as fork lift or lift trucks, 22½%, 10%;

42704-1 & 42705-1: Convertible power cranes or shovels, 22½%, 10%;

42706-1: Paper machines; machines for calendering (except super-calenders), slitting, reeling, winding and re-winding paper; driving mechanisms therefor; parts of the foregoing, 22½%, 10%;

42707-1: Electricity generating sets and parts, 22½%, 10%;

42708-1: Vending machines for dispensing soft-drinks, coin-operated, incorporating mechanical refrigeration; parts of the foregoing, 22½%, 10%;

42720-1: All machinery composed wholly or in part of iron or steel, not otherwise provided for; of a class or or kind *not* made in Canada; complete parts of the foregoing, 7½%, Free;

42735-1: Machines for making rigid composite box-ends of wood; complete parts except motive power, 22½%, Free;

42750-1: Machinery of a class or kind made in Canada for working metal by turning, milling, grinding, drilling, boring, planing, shaping, shearing or pressing; accessories, attachments and parts, 22½%, 10%;

42753-1: Machinery, of a class or kind *not* made in Canada, for working metal by turning, milling, grinding, drilling, boring, planing, shaping, shearing or pressing; accessories, attachments and parts, 7½%, Free;

42761-1 & 42762-1: Machines and tools, including blades, loaders, rippers, rakes and related operating gear, for use on internal combustion tractors, other than highway truck-tractors: of a class or kind made in Canada (42761-1), and parts thereof, 22½%, 10%; of a class or kind *not* made in Canada (42762-1), and parts thereof, 7½%, Free;

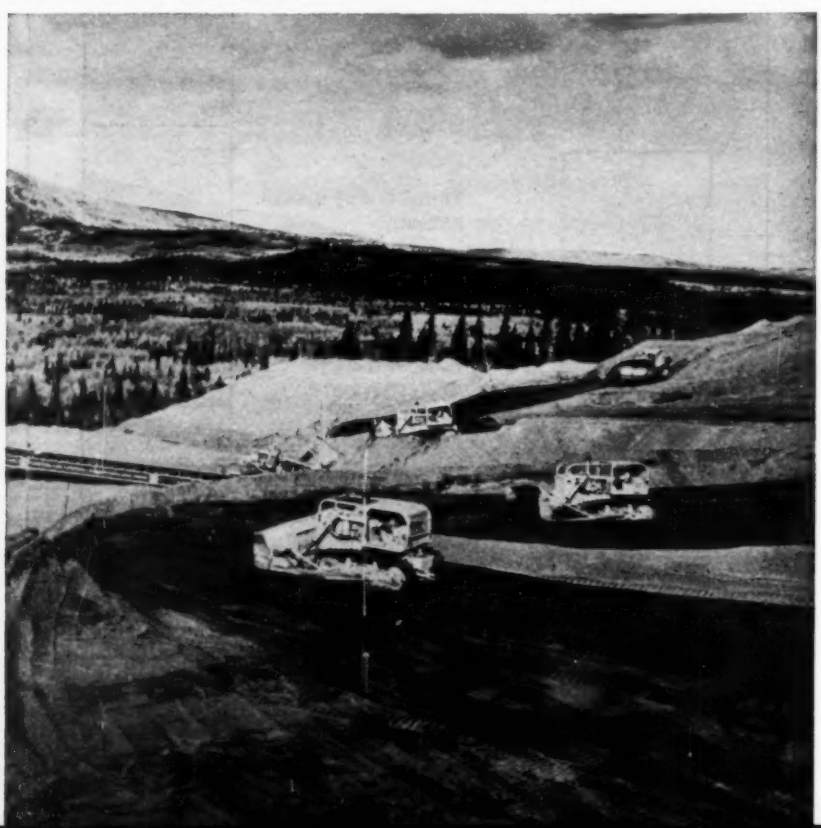
44524-1 (part of): Electric control equipment, 22½%, 15%;

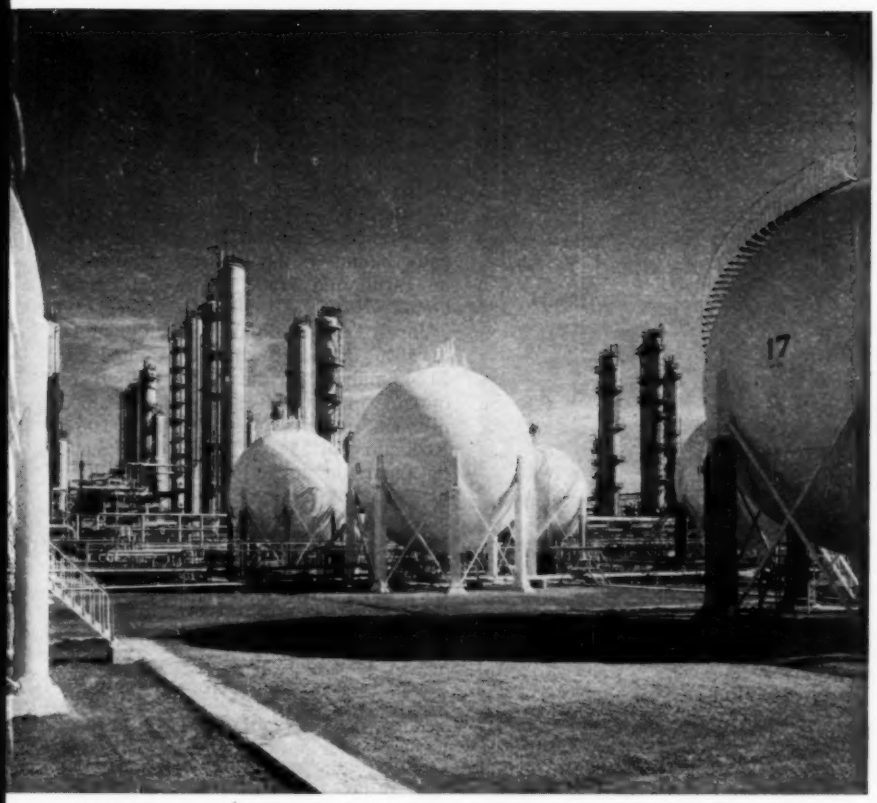
44603-1 (part of): Miscellaneous parts and attachments of iron and steel, not otherwise provided for, for use with the machinery classified under new tariff item 427000-1, 22½%, 10%;

44636-1 & 44637-1: Tools, wholly or in part of iron or steel, for use in machines or in attachments or accessories therefore: of a class or kind made in Canada (44636-1), 22½%, 10%; of a class or kind *not* made in Canada (44637-1), 7½%, Free;

46105-1 (part of): Strength-testing machines, 20%, 10%.

EXCAVATING SCRAPER UNITS are one of the products which will be included under Canada's new 'super' tariff category for production machinery. These tractors are working at a dam in British Columbia.





MAJOR OVERSEAS MARKETS for U.S. chemicals will grow due to concessions during the Kennedy Round. Above, feedstock and finished product storage complex at the Petro-Tex Chemical plant in Houston.

U.S. chemical exports, already up 100% in decade, to get new thrust from Kennedy Round

Further EEC cuts hinge on end to American Selling Price system; major overseas markets for U.S. chemicals made concessions

U.S. exports of chemicals and allied products have doubled in the past decade, and amounted to $2.7 billion in 1966. It is estimated that in 1967 U.S. chemical exports will amount to approximately $2.8 billion.

The principal foreign markets for chemicals produced in this country are the European Economic Community, Canada, Japan, the United Kingdom, and certain South American countries. These areas took a little more than 70% of the chemicals exported by the United States in 1966.

Many tariff reductions of significance to the U.S. chemical industry were negotiated in the course of the Kennedy Round. These reductions should provide a stimulant for continued rapid growth in U.S. exports.

In particular, the EEC agreed to reduce tariffs by 20% on items which accounted for $450 million of the $465 million of the Community's dutiable imports of chemicals from the United States in 1964.

The EEC agreed to make further reductions, mostly an additional 30%, in the event that the United States eliminates the American Selling Price system of valuing imports of benzenoids for tariff purposes.

Altogether these reductions would result in an overall average duty reduction of 46% based on the Community's 1964 imports of chemicals from the United States.

Of particular interest to U.S. chemical exporters are duty reductions by the EEC on: carbon, anhydrous sodium borate, styrene and ethylbenzene, dihydric alcohols, nitrile-function compounds, certain heterocyclic compounds, certain antibiotics, medicaments, superphosphate fertilizers, varnishes, lacquers, paints, pigments, synthetic detergents, photographic film and paper, wood alcohol, certain additives for lubricants, polyesters, certain condensation resins, polyethylene resins, and a variety of plastic articles.

Noteworthy EEC cuts

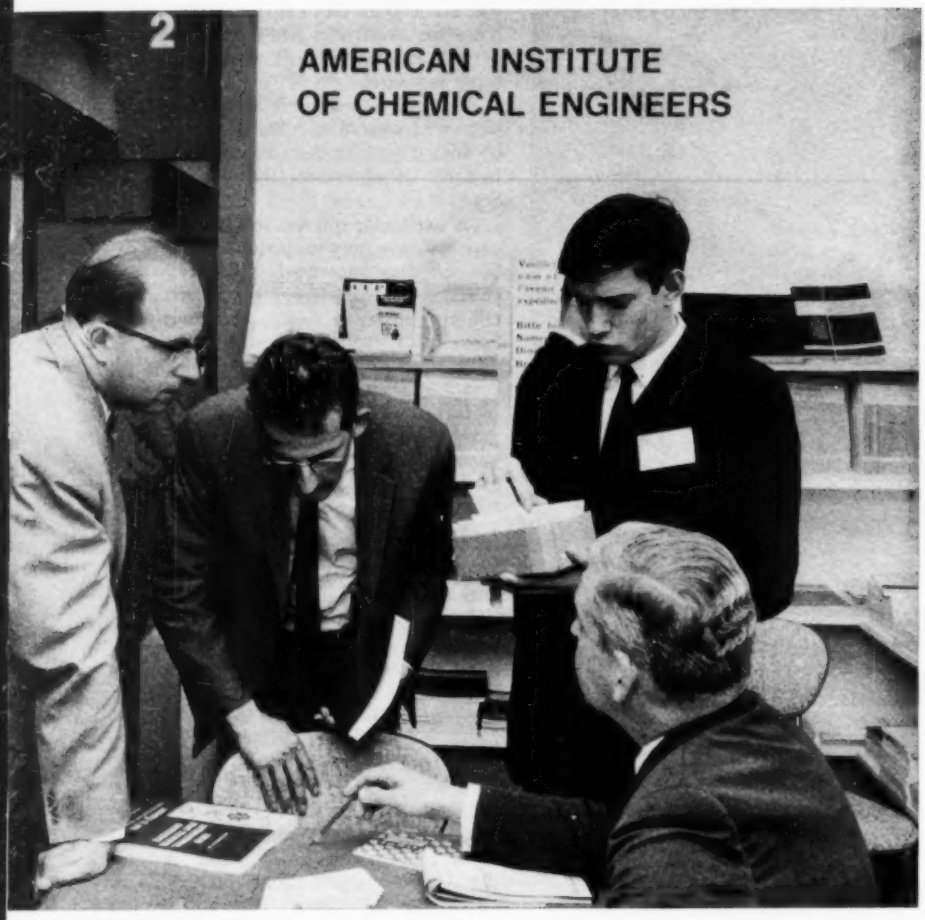
It is noteworthy that the EEC will reduce its tariffs on selected organic chemicals and on plastic materials. U.S. exports of organics to the Community increased in value from $120 million in 1963 to $219 million in 1966. The exports of plastic materials increased in value from $73 million in 1963 to $114 million in 1966.

Included in the 1966 exports of plastic materials were $44 million of condensation, polycondensation, and polyaddition products and about $50 million of polymerization and copolymerization products. The tariff cuts by the EEC on the latter products are of special importance because of the demonstrated demand in the Community for these American products.

The United Kingdom's tariff concessions apply to chemicals which made up $105 million of 1964 imports from the United States. The total dutiable chemical imports from the United States in 1964 amounted to $170 million. Subject to some exceptions, duty rates of 25% or more will be reduced by 30%, and duty rates below 25% will be cut by 20%.

Duty-free bindings cover $6 million of the United Kingdom's 1964 imports from the United States. As in the case of the EEC, the United Kingdom will make deeper tariff cuts if the United States eliminates the ASP system of valuing imports of benzenoids. The Kennedy Round and the ASP package, together, would result in a weighted average reduction of 47% in the tariffs applicable to the U.K. imports of chemicals from the United States.

Concessions by the United Kingdom



STRONG WORLD MARKET for chemicals was apparent in the activity at the recent ACHEMA International Trade Fair at Frankfurt. Significant concessions at Geneva should boost trade in chemicals.

which are of special interest to the United States apply to carbon and carbon black, styrene monomer, acyclic alcohols, certain derivatives of hydrocarbons, phenols and phenol alcohols, monoacids and polyacids, anhydrides, amines, amides, nitriles, animo and oxygen function compounds, heterocyclic compounds, synthetic organic dye-stuffs, antibiotics, photographic plates and flat film, sensitized paper, film in rolls, and varnishes and lacquers.

Canada's tariffs on chemicals will be changed in the next few years to reflect both the Kennedy Round agreements and a substantial modernization in the Canadian tariff schedules. The Kennedy Round reductions cover chemicals which accounted for about $57 million of Canada's imports from the United States in 1964. The net duty reductions weighted by dutiable imports average 14%.

The tariff schedule revisions apply to chemicals which accounted for $339 million of Canada's imports from the United States in 1964. About 74% of such imports are currently dutiable. Tariff reductions will be made on products which accounted for $136 million of the 1964 imports from the United States. Canadian tariffs will be increased, however, as the result of the tariff revisions on articles which made up about $78 million of the total of 1964 imports from the United States.

Canada's highest rates on most organic chemicals will decline from 25% and 20% to 15%. These reductions will be especially welcome to U.S. exporters inasmuch as the Canadian market for organic chemicals has been increasing quite rapidly in recent years. To be specific, U.S. annual exports to Canada of organic chemicals more than doubled between 1963, when they amounted to $39 million, and 1966, when they amounted to $82 million. These tariff cuts should encourage further increases in such exports.

As a further result of the recent negotiations with Canada, the duties on drugs and pharmaceuticals will be reduced from 25% and 20% to 15%. Other products on which the Canadian duties will be reduced include caustic soda in solution, paints, varnishes and lacquers, perfumes, and disinfectants. Duties on fertilizers will be eliminated. In addition, the tariffs applicable to a wide range of chemical items not presently bound in the General Agreement on Tariffs and Trade will henceforth be bound.

Japan agreed to make tariff reductions of 50% on items which accounted for $174 million of the $210 million of dutiable imports of chemicals and allied products from the United States in 1964. Reductions of 25% or more will be made by Japan on an additional $15 million of the 1964 imports from the United States and smaller cuts on an additional $9 million. In sum, Japan's concessions cover 94% of the dutiable imports from the United States in 1964; the reductions average about 44%. The present duty-free treatment will be bound in the GATT for chemicals comprising $5 million of Japan's imports from this country.

Special value to U.S.

Duty reductions by Japan of 50% apply to the following products of particular value to the United States (the value of the imports in 1964, from the United States of these products was $110 million): inorganic chemicals, principally carbon black, boric acid and phosphate fertilizers; organic chemicals, chiefly hydrocarbons and their derivatives; certain alcohols and glycols; organo-inorganic and heterocyclic compounds; certain plastics; black and white film; dyes, pigments, and lacquers; and insecticides, fungicides, additives for fuel oils and various catalysts. As a result of these tariff cuts, the rates applicable to Japan's imports of chemicals will virtually all be 15% or less.

A number of other countries will cut their chemical tariffs. Among the more important reductions from the point of view of U.S. exporters are those by Switzerland, Sweden, Denmark, and Norway. In 1964 these four countries imported chemicals from the United States valued at about $130 million.

The tariff reductions applicable to imports from the United States range from an average of 30% in the case of Sweden to 35% for Denmark and Norway and 49% for Switzerland. Of particular interest are the tariff reductions by the four countries applicable to pharmaceuticals, plastics, and inorganic and organic chemicals for industrial use.

Autos and parts are top items in transport cuts

Aircraft equipment, tractors also objects of concessions

Kennedy Round participants made tariff concessions on transport equipment that account for about seven-eighths of all their trade in these items.

Among the principal concessions of interest to the United States were those on automobiles and automotive parts. Virtually all of the major trading countries made concessions in this area.

Transportation equipment makes up one of the most rapidly expanding fields in international trade and is of particular interest to U.S. exporters. Total trade available for concession by the major Kennedy Round participants amounted to about $3.3 billion in 1964. Concessions granted covered imports valued at about $2.9 billion, including concessions on about $580 million of imports from the

Significant reductions were also made in the duty rates on aircraft and aircraft parts in most of the major U.S. export

In addition, some important concessions were granted on other motor vehicles such as industrial trucks and tractors and parts, and on railway equipment.

Automobiles and automotive parts: U.S. exports of automobiles and automotive parts should receive a boost from the tariff reductions gained in the Kennedy Round. Concessions included 50% reductions on passenger automobiles and automotive parts and accessories to 11% and 7% respectively, in the EEC.

In the Canadian market U.S. exports will benefit from a 40% reduction (to 15%) in the rate on one group of automobile replacement parts which accounted for $46 million of imports from the United States in 1964, and a 29% reduction (to 12.5%) on a second group covering imports of $8.2 million from the United States.

Since January 1965, automobiles and buses imported by Canadian vehicle manufacturers, and parts and accessories imported for use as original equipment in such vehicles, have entered Canada duty-free under a reciprocal duty-free arrangement with the United States. The duty reductions listed above will apply to vehicles and parts not covered by this arrangement.

In the U.K. market the rate of duty on automobiles and parts was reduced to 11%, and in Japan the duty was cut to 30% on small automobiles and to 17.5% on all other automobiles, including most U.S. types.

As a major non-tariff concession, Austria agreed to eliminate certain discriminatory aspects of the automobile road tax, effective Jan. 1, 1968, which largely eliminates the present discrimination against larger-engined cars, principally of U.S. manufacture. The revised tax schedule should significantly benefit U.S. automobile exporters.

Aircraft and Aircraft Parts: The fast-growing aerospace industry received a significant assist in the Kennedy Round as a result of concessions obtained in all of the major markets. The trade in aircraft and parts is very often subject to free entry under suspended duties so that reductions in the statutory rates of duty are not always of immediate value.

However, as this industry continues to grow there will be more and more foreign manufacturers who will be interested in having some degree of protection. As this situation develops the bound statutory rates will become increasingly important.

The EEC granted 50% reductions to 5% on aircraft over 15,000 kilograms and on helicopters over 2,000 kilograms, and to 5.5% on aircraft from 2,000 to 15,000 kilograms. No reductions were made on light aircraft and helicopters (under 2,000 kilograms), which remain dutiable at 12% and 15% respectively.

Duties have been temporarily suspended on aircraft over 15,000 kilograms and parts for such aircraft. The duty reductions established bound ceiling levels for rates on these products.

Canada made a 50% reduction in the 15% rate of duty on aircraft, aircraft engines, and parts. During the past ten years, this duty has been suspended on imports of types and sizes determined by the authorities not to be produced in Canada. Canada's commercial imports of aircraft from the United States were estimated at about $46 million in 1964, most of which entered under the duty-free provision.

In addition, Canada ceased applying the Canadian sales tax to the full value of aircraft engines repaired in the United States. The 11% sales tax is now applied only to the value of the repairs. Canada also modified restrictive standards applying to aircraft engines repaired abroad.

Concessions by other countries included a reduction to 7% by the United Kingdom on aircraft and aircraft parts, and duty-free bindings on aircraft by Denmark and Portugal and on aircraft and aircraft parts by Austria and Israel.

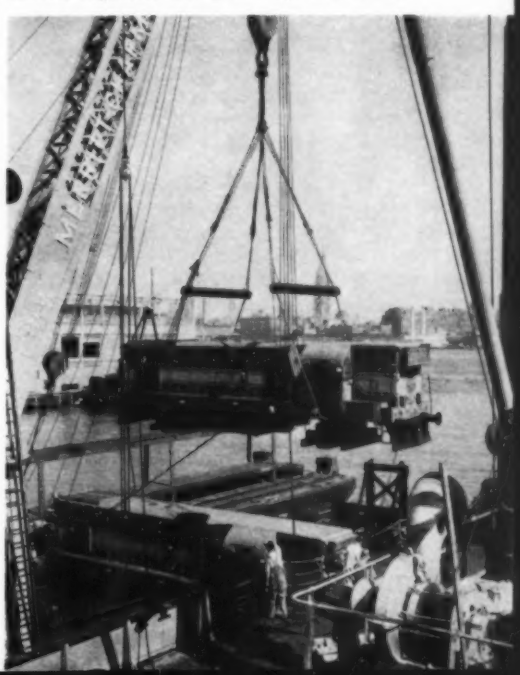
Other Motor Vehicles and equipment: Rates on industrial trucks were cut by close to 50% in most major markets, with the EEC dropping to 7%, the UK to 9% and Japan to 10%. The Nordic countries and Switzerland halved their tariffs on industrial trucks, and Canada cut its duty from 22.5% to 15%. Canada also reduced to 15% its duties on trucks and trolley buses (other than those covered under the U.S.-Canadian Automobile agreement).

For tractors, a major U.S. export, 50% cuts were obtained in the duties levied by Japan and the EFTA countries. Duties on tractor parts were also reduced. Final tractor rates include: the U.K., 7.5%; Japan, 10% (tracklaying types) Sweden, 8%; Finland, 4%; Denmark, 2%; and Switzerland about 8.5%. Norway had already bound duty-free entry of tractors.

On automobile accessories and parts, 50% cuts brought EEC rates down to 7%, the U.K. to 11% and Japan to 15%. The Nordic countries and Switzerland also made substantial tariff reductions.

Railway Equipment: For railway equipment, the principal concessions of interest to U.S. exporters included a reduction from 22.5% to 17.5% on railway cars and parts ($6 million) by Canada; a 50% reduction to 7.5% on railway equipment by Japan; and a reduction to 3.5% on railway vehicles by Jamaica.

RAILWAY EQUIPMENT EXPORTS should head upward following tariff cuts by Canada, Japan, and Jamaica negotiated during Kennedy Round talks.



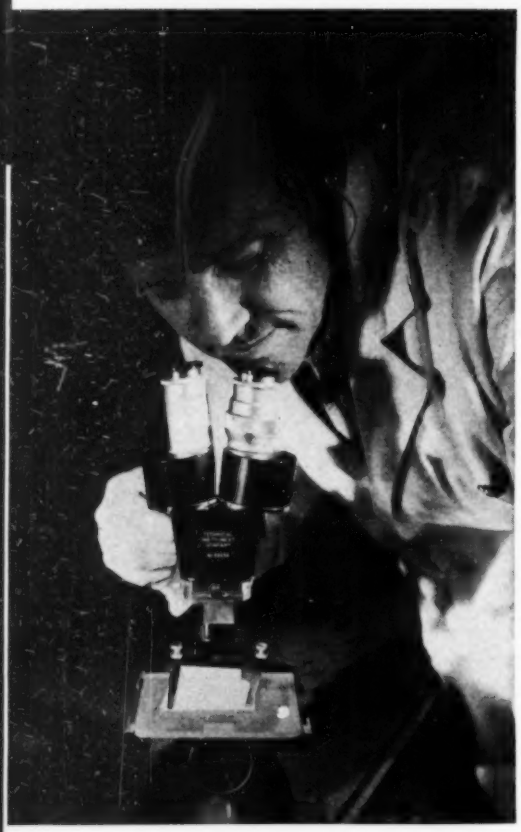
Tumbling tariffs on instruments could mean substantial U.S. gain

Reductions seen particularly significant because these items often carry high rates in national tariff structures

Between 1960 and 1966 U.S. exports of scientific, medical, optical and measuring instruments more than doubled and significant concessions negotiated at Geneva should contribute to future growth.

Scientific and control instruments, and audio and photographic equipment benefited from tariff cuts, which in most instances approached 50%. Commodities falling in these categories have shown impressive export gains in recent years and the potential for expanded sales is considered good.

TARIFF CONCESSIONS in the maximum amount of 50% were made by most major U.S. customers for scientific instruments during the Kennedy Round negotiations concluded recently.



Total imports of these commodities by the major Kennedy Round participants amounted to some $1.3 billion in 1964. Tariff concessions were exchanged on goods worth $1.2 billion, including some $355 million of imports from the United States.

Tariffs on these specialized instruments often tend to be among the highest in a country's tariff structure, and cuts should be valuable in reducing the costs to the ultimate consumer.

In this regard, the reduction of high U.K. duties is especially important. During most of the postwar period, the U.K. has permitted free entry of scientific and other professional instruments, if a satisfactory substitute was not available domestically or from the Commonwealth. But this provision was revoked last year, thus raising the cost of certain imported instruments. The 50% tariff cuts granted by the U.K. should mitigate the effects of its revocation of the free entry provision.

Electrical measuring instruments: Duty reductions, mainly of 50%, will bring tariffs on electrical measuring instruments down to 6.5% in the European Economic Community (EEC), to a range of 12.5% —20% in the United Kingdom and to 7.5%—10% in Japan. Final duties will be 7% in Sweden. Switzerland will reduce its already low tariffs of 5% or less. These countries imported nearly $115 million from the U.S. in 1964.

Liquid and gas measuring and temperature control instruments: Another group of important items in U.S. trade are instruments for measuring or controlling the flow, depth, pressure and other variables of liquids and gases and for controlling temperature. The EEC, U.K. and Japan provided markets for nearly $21 million of such apparatus in 1964, and trade has continued to expand rapidly.

Reductions detailed

As a result of the Kennedy Round, duty reductions will be effected as follows: EEC present duties of 12%-14% cut to 9%-11%; U.K., 16% rate reduced to 8%; Japan, 15% tariff to drop to 7.5%.

Canada has agreed to reduce its 22.5% rate on gas meters to 17.5%.

Surveying and navigational equipment: U.S. shipments of surveying, hydrographic, navigational, meteorological, hydrological, geophysical and similar instruments amounted to over $15 million to the EEC alone in 1964. The U.K. and Japan together purchased an additional $4.9 million. Duty cuts of the existing relatively high rates should assist U.S. exporters.

Duty reductions will cut rates from 14% to 8.5% in the EEC, 50% cuts in the U.K. to a level of 12.5%-25%, and in Japan to a range of 7.5%-10%.

Parts for scientific instruments: Duties on parts for certain scientific instruments will be reduced generally by 50% in the EEC, U.K. and Japan. Final duties will be 6.5%-7.5%, 8%-25%, and 7.5% respectively. (Imports from the U.S. $56.3 million in 1964).

Phonographs, tape recorders, phonograph records and tapes: Consumer interest in audio equipment is showing a marked rise, particularly in Western Europe. Even with increasing sales, the full market potential is far from realized. Substantial tariff cuts should aid U.S. sales prospects.

EEC duties on phonographs and tape recorders will be reduced from present levels of 10%-15% to 7.5%-9.5%; U.K. duties ranging from 16%-33⅓% will be cut in half. Japan will cut by 50% to a level of 7.5%-15%. In addition, Canada will reduce a 20% duty on phonographs and parts to 15%.

Microphones, loudspeakers and amplifiers received full cuts; duties will drop to 7% in the EEC, 10% in the U.K. and 7.5% in Japan.

Phonograph records and tapes will also benefit from full 50% cuts in major markets.

Photographic Equipment: Substantial tariff cuts will be made in major markets for U.S. photographic equipment, including photographic and cinematographic cameras, projectors, sound reproducers, enlargers, screens, spools and reels, and laboratory equipment.

The EEC, a principal purchaser, will reduce duties ranging from 12%-18% to a lower level of 7%-13%. Duties in the U.K., another important purchaser, will be cut in half to a range of 7.5%-20%. Japan's 50% cuts will result in tariffs of 7.5%-15%. Sweden and Switzerland will also reduce duties on items of interest to U.S. exporters. In 1964 these five countries imported about $35 million of photographic equipment from the U.S.

Canada will also reduce duties on cameras and parts from 20% to 15%, and will eliminate the 5% duty on unfinished camera parts.

U.S. pulp, paper's competitive status gets aid from Round

Kraft liner should get new thrust in EEC countries; marketing position for U.S. products strengthened in U.K.

Rapidly growing U.S. exports of pulp, paper, board and allied products are expected to get added impetus from the tariff cuts achieved in the Kennedy Round. Trade increases in this field have been impressive throughout the world, and all signs point to a continued expansion.

Imports of the Kennedy Round participants totaled about $3 billion in this field, but about half of this total consisted of items for which duty-free treatment is already bound. Concessions were granted on almost all of the pulp and paper products available for such action. Trade covered was valued at about $1.4 billion, of which the imports from the United States totaled about $255 million.

Woodpulp: U.S. exports of chemical woodpulp already enter most major markets at nil or low duties. As a result of the Kennedy Round, our largest market, the EEC, will reduce from 6% to 3% its duty on chemical pulp for papermaking while maintaining in force the present duty free quota of 1.9 million metric tons annually. Woodpulp for producing textile fibers was bound duty free in previous negotiations.

Paper and board: Kennedy Round cuts will aid U.S. sales of paper and board, which now constitute one of our most rapidly expanding exports. Trade in these items has more than doubled in the past decade and growth is continuing at a rate of about 9% a year. Our best potential is in the mass-produced grades such as kraft paper and linerboard which go as raw materials for converting plants abroad. For kraft liner, by far our biggest export earner, the Kennedy Round results were favorable. In our largest market, the EEC, the tariff will drop from 16% to 12%, thus providing a good basis for a continued expansion of our sales.

In the U.K., which takes almost one quarter of our exports, a unified rate of 10% was obtained where imports were previously dutiable at rates of 12.5% and 13.3%. U.S. firms will welcome this simplification of the rates as well as the reduction. The tariff cut should also strengthen the competitive position of U.S. suppliers by narrowing the margin of preference enjoyed by our major rivals, Canada, Sweden, and Finland, who enjoy free entry to the U.K. market.

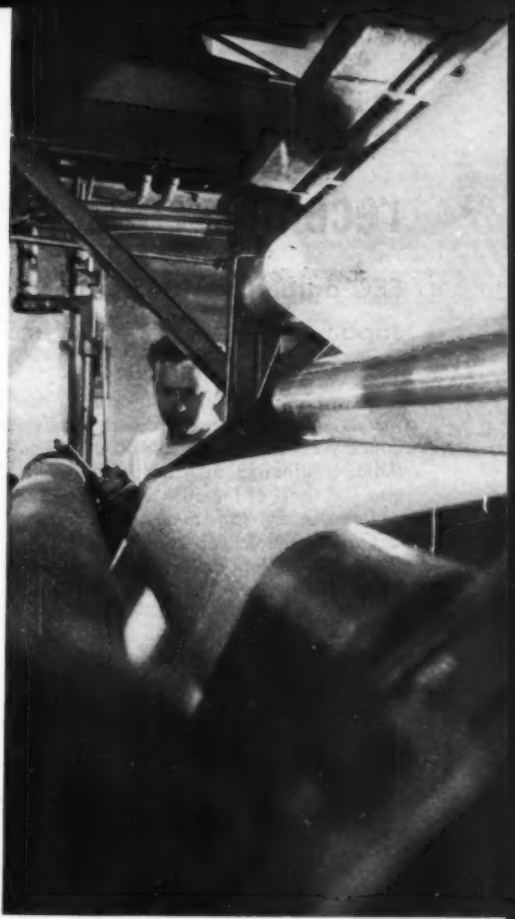
Another concession of interest to the United States was made by Israel, which cut the kraft liner rate from 20% to 15%. Continued growth is expected in that market. As for exports of kraft paper, these should benefit from reduction by the EEC from 16% to 12% and the U.K. from 20% to 18%.

Another area of growing U.S. export interest is in certain types of impregnated or coated paper and board. Rates in the EEC will go down from 15% to 12%, in the U.K. from 20% to 18%, and the Japanese will halve their rate of 20%. For certain other paper and board cut to size, the EEC will reduce to 12% from 16% and Japan will cut in half its 10% rate on test paper for industrial and lab use. U.S. sales of this type of paper to Japan have soared in recent years, topping the million dollar mark in 1965.

With respect to other types of paper, interest centers mainly on concessions from Canada where there is a two way trade in certain varieties. Canada will cut the duty on coated printing paper from 22.5% to 12.5%, and will go from 25% to 15% on certain building and roofing papers, and from 22.5% to 15% on a variety of miscellaneous papers.

Articles made of paper cover a wide range including many new products, and are usually classified in the tariff in so-called basket positions. Important reductions in these rates were achieved as follows: EEC from 19% to 14%; Japan 15% to 7.5%, Canada 22.5% to 17.5% and the U.K. 20% to 18%.

Printed matter: Allied to the paper field is the field of printed matter, much of which (such as books, magazines) enters our major markets free of duty as a result of the Florence Convention. In the course of the Kennedy Round useful concessions were obtained on certain printed matter which was still dutiable. The U.K. agreed to reduce from 15% to 12% on advertising material and the EEC also cut its rate on miscellaneous printed matter (including advertising) from 12% to 9%. Canada will reduce its rate on labels, tickets, and miscellaneous printed matter from 22.5% to 20%.



PAPER SALES will be aided by Kennedy Round cuts. Above, checker at Interpack Inc. inspects paper quality in plastic coating operation.

Wood and wood products: Imports of the major participants available for concession totaled $1.7 billion in 1964. Concessions were granted on trade valued at $1.2 billion, of which imports from the United States totaled $50 million.

Principal concessions of concern to the United States were those in lumber. Canada, in return for reciprocal action by the United States, agreed to eliminate its duties on coniferous lumber, thus facilitating the two-way trade which takes place. The U.K. also eliminated its duty on coniferous lumber so that the U.S exporter is now placed on the same footing as his Canadian competitor, who previously benefited from the preferential margin granted to British Commonwealth countries.

Among wood products of export interest on which tariff concessions were obtained are: hardwood flooring, tool handles, golf club blanks, and veneer sheets.

Base metals, metal products received concessions of value

EEC agreed to 130,000 metric ton aluminum tariff quota; Japan, U.K., and Canada accepted aluminum duty cuts

Most U.S. exports of non-ferrous base metals and base metal products received concessions in the Kennedy Round negotiations, although in some instances the cuts fell short of the 50% cuts hoped for.

Imports by the major participating nations available for concession totaled some $3.4 billion; concessions were actually exchanged on $2.5 billion, of which imports from the United States comprised $605 million.

In the field of nonferrous base metals, copper and aluminum make up more than 80% of U.S. total exports. Crude copper enters most of our major markets free of duty. Rates on semifabricated copper products such as rods, plates and sheets were cut to 8% in the U.K. and the EEC.

The EEC, our principal market for aluminum, agreed to establish an annual tariff quota of 130,000 metric tons to be dutiable at 5%; imports above the quota, however, will remain dutiable at the present 9% rate. In past years the EEC has permitted some aluminum to enter at the 5% rate but this tariff quota was not previously bound in the GATT schedule.

As for other important markets for U.S. aluminum, Japan reduced its duties from 13% to 9%, and the U.K. will drop its 10% rate on aluminum alloys to 5%. Aluminum not alloyed already enters the U.K. free of duty. Canada will reduce its rate on unwrought aluminum to 1 cent per lb., thus matching the U.S. rate. Canada will also reduce its tariff on most wrought aluminum to 2 cents per lb., and will levy a rate of 17.5% on aluminum manufactures, down from 22.5%.

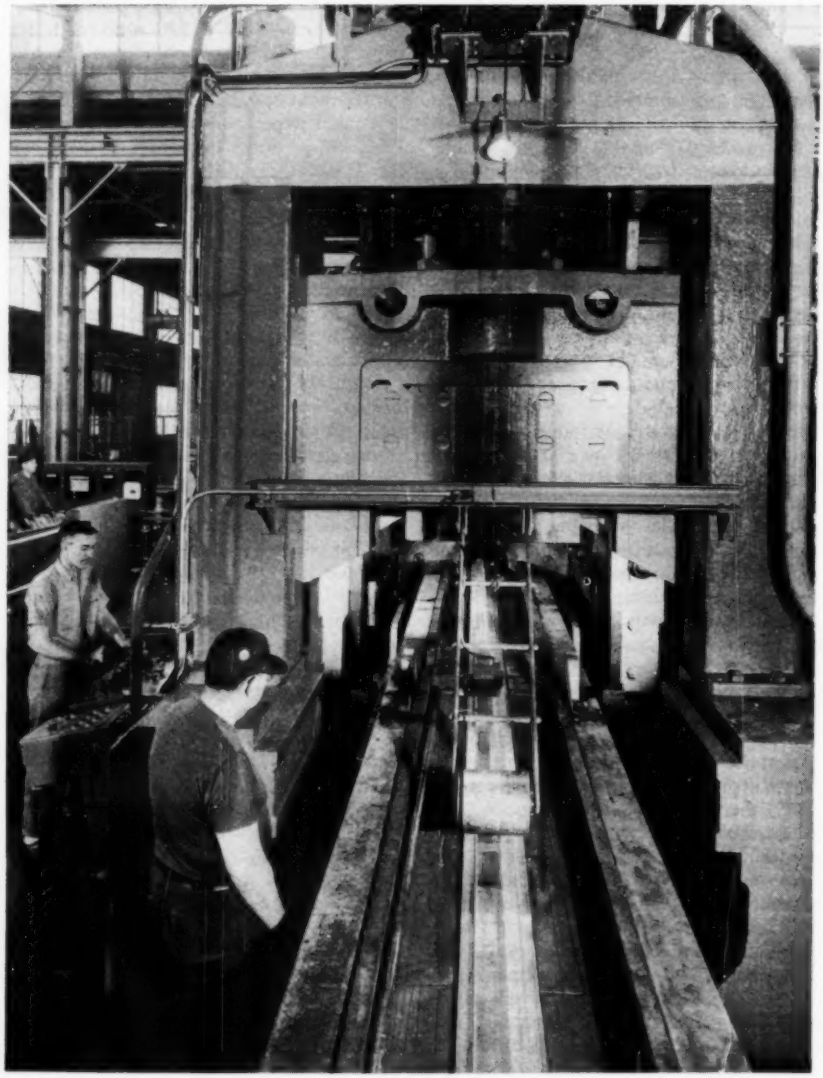
Wrought aluminum will enter the EEC at 12%, a reduction from 15%; Japan will drop from 25% to 18%, and the U.K. from 12.5% to 8%.

Canada's adherence to the anti-dumping code negotiated in the Kennedy Round should improve the sales possibilities of the U.S. aluminum industry in Canada. Under present Canadian regulations anti-dumping duties can be imposed automatically if the item is sold at a price lower than that prevailing in the domestic market of the exporting country. With no need to prove injury, these regulations have made it difficult for U.S. aluminum producers to compete in the Canadian market. To conform to the international code, Canada will now have to introduce injury provisions, thus opening the way for possible U.S. sales.

Manufactures of base metals comprise a host of products. Among those of export interest which received significant concessions in the Kennedy Round were hand tools, interchangeable tools for machine tools, welding rods and electrodes, and costume jewelry.

In our most important markets for tools, the EEC and the U.K., rates were cut substantially, with the new rates falling in a range of 6-7.5% for the EEC and 7.5-10% for the U.K. A useful concession was obtained from Canada by the reduction from 20% to 17.5% on electroplated ware, iron and steel holloware, and tinplate manufactures.

ALUMINUM EXTRUSIONS head for export market from Alcoa's plant at Lafayette, Ind. Major trading partners of U.S. will reduce tariffs on aluminum by as much as 50% over the next five year period.



Bank's world net earns 'E'

Commerce Secretary presents award to First Wisconsin National of Milwaukee

The First Wisconsin National Bank of Milwaukee has received the presidential "E" certificate for export service for promoting Wisconsin exports through a network of foreign correspondent banks.

Secretary of Commerce Alexander B. Trowbridge, in a special award presentation in Washington, D.C., praised the bank for "providing international finance expertise and factoring services, establishment of a foreign exchange trading department, and wide dissemination of export trade opportunities. . . . The Bank has stimulated interest in, and furnished vital tools for, increased foreign trade."

After having a token Foreign Department for more than one hundred years, the First Wisconsin National Bank began a vigorous effort five years ago to expand its international banking services, with the aim of aiding Wisconsin industry in the development of export markets.

This new policy orientation involved not only the active promotion and financing of exports, but the discontinuance of several operations not related to exports.

The bank's major achievement has been tripling its volume of export financing from 1963 to 1966, from $19.1 million to $71.4 million.

First Wisconsin established its own foreign exchange trading department in 1962 to provide better service for export customers. The bank also introduced a factoring service to enable individual firms to liquidate current export receivables through sales to the bank at competitive rates, and thus receive more rapid payment for export shipments.

In addition, the First Wisconsin elevated the principal officer in its international banking division to the rank of senior vice president, and has since added a vice president/international economist to the division staff.

The bank opened a representative office in New York in 1964, and one in London in 1965. These offices, in addition to providing up-to-date reports on current money conditions and trends, have developed foreign contacts for customers and have discovered export opportunities.

Specific examples of clients assisted by the First Wisconsin include:

► a firm with the opportunity to sell equipment valued at $1.5 million to a Mexican brewery; the company needed export credit with seven years maturity, a period normally not qualifying for export credit insurance. The First Wisconsin split the transaction into two segments and devised a total seven-year credit program enabling the sale to go through.

► a Wisconsin client who could export vehicles valued at $.5 million to Venezuela but would lose title to the vehicles before receiving payment: First Wisconsin suggested a plan to insure smooth operation, and it was accepted by the client.

► a Milwaukee client who did not want to rely entirely on the beneficiary of a letter of credit in a transaction involving shipment from a Canadian port to the U.S.S.R.: the bank developed a procedure permitting the client to retain title through itself and its Canadian correspondent until the ocean bill of lading was delivered.

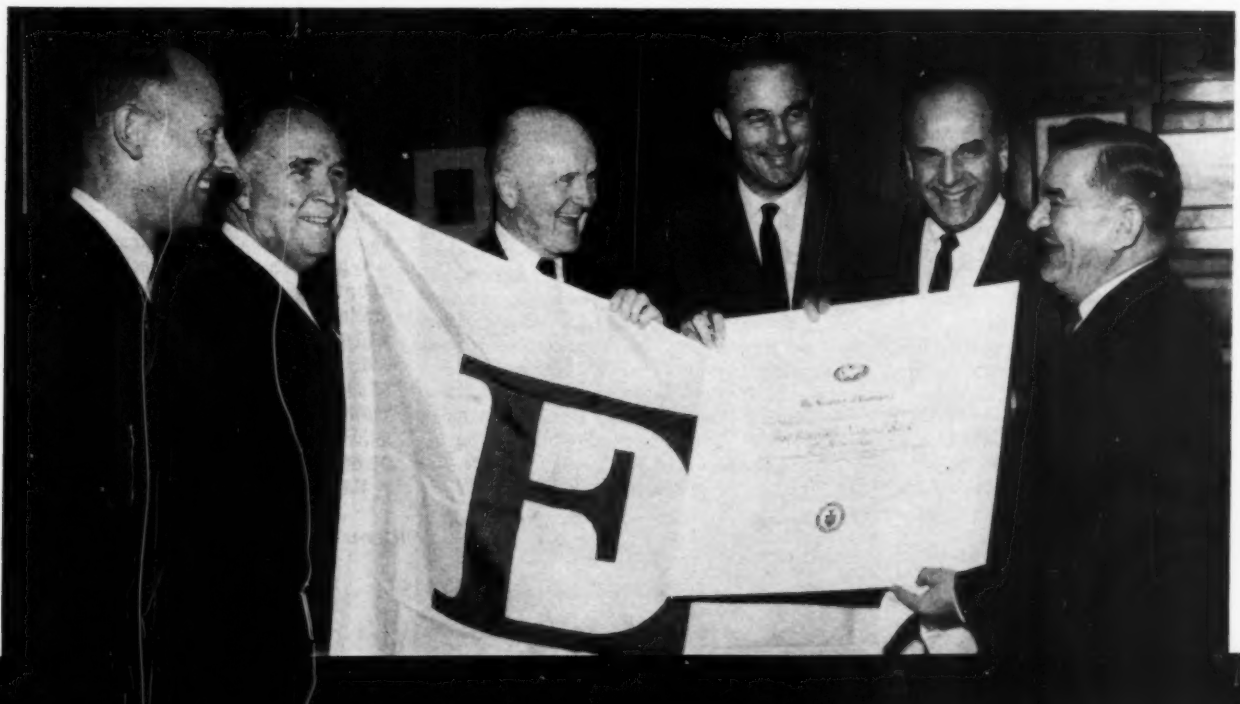
In addition to promoting export sales through its new policies, the bank has used its expanded staff to furnish Wisconsin firms with information concerning export markets, economic conditions in foreign countries, and credit data obtained from the bank's expanded network of foreign correspondent banks.

The First Wisconsin makes an effort to give each client individual attention, being careful not to eliminate anyone from consideration.

Bank officers participate in promotional functions in Milwaukee and travel to various cities in Wisconsin to inform small companies about opportunities in many world markets.

The bank also has designed an active advertising campaign to bring the facilities and services of the First Wisconsin to the attention of exporters and potential exporters.

'E' AWARD PRESENTATION in Washington, D.C., was attended by (l. to r.): Robert N. Bee, First Wisconsin vice president/international economist; Eduardo Benet, senior vice president; Joseph W. Simpson, chairman of the board; Secretary of Commerce Alexander B. Trowbridge; Sen. Gaylord Nelson; and Rep. Clement J. Zablocki. Ceremony signalled five years of outstanding new services by First Wisconsin to the state's exporting firms.



U.S. DELEGATION TO FIFTH JAPAN-U.S. BUSINESSMEN'S CONFERENCE in Tokyo in mid-November was briefed before leaving by Secretary of Commerce Alexander B. Trowbridge (back to camera). Allan Shivers, president of the Chamber of Commerce of the U.S., leading the group, is at far end. On Secretary's left (l. to r.) are Fayette S. Dunn, Otis Elevator Co. and John T. Pierson, Jr., Vendo International. At table on his right (l. to r.) are Carroll W. Hayes (representing Harold Blancke), Celanese Corp.; Henry Kearns, Kearns International; John M. Will, American Export Isbrandtsen Lines; Raymond Kathe, First National City Bank; and Robert P. Mayo (representing David M. Kennedy), Continental Illinois National Bank and Trust Co. Others in the delegation include John R. Allison, Lease Plan International; Herman Bevis, Price Waterhouse & Co.; George Champion, Chase Manhattan Bank and Jerome A. Straka, Chesebrough-Pond's. A group of 15 others is acting as alternates. (Chamber of Commerce Photo by Reni)

'Export/Import Summaries,' new computer-based listings, have marketplace approach to figures

Commerce reports gather commodity data for current month, year to date, and % change from previous year; in second issue

American industry's "best sellers" in world markets range from diesel trucks and rolls for rolling mills to computers and consumer items, while among the fastest growing U.S. imports are works of art and books, the Department of Commerce has reported.

U.S. exports of diesel trucks, parts and accessories expanded to $317.6 million in the first nine months of 1967—up 207.9% over the comparable period of 1966, according to the *Export/Import Summaries* for September 1967, published and released by the Department's Business and Defense Services Administration.

Exports of U.S.-made rolls for rolling mills went up 66.1% to $182.3 million; computers, up 64.4% to $220 million; and sports and athletic equipment, up 33.3% to $40.6 million in January-September of this year.

On the import side, U.S. purchases of works of art in foreign markets accounted for a relatively small dollar volume of trade—$58.6 million through September—but showed the greatest growth with a 656.3% increase over the first nine months of 1966. Imports of books reached $51.8 million, up 421.2%. Imports of industrial products expanded at substantially lower rates and in some cases—notably metals and minerals—dropped more than 50% below 1966 levels.

The monthly *Export/Import Summaries*, inaugurated by BDSA in August, provide a new marketing-oriented measure of the movement of more than 1,000 groups of individual products that make up well over half the total value of U.S. trade. Data for each commodity group are reported in the logical terms of the marketplace, rather than in the statistics-oriented detail dictated by U.S. Government customs collection and data-gathering requirements. The single total for exports of household laundry appliances, for example, is a consolidation of eight different items.

The computer-constructed summaries are organized into seven subsections each for exports and for imports. Each subsection covers from 21 to 123 totals. Each monthly report covers commodity trade for the most current month, the year to date, and the percentage changes from the same period of the preceding year.

Highlights of U.S. export trade in the first nine months of 1967, as reported in the various export subsections for September, follow:

Exports of inorganic chemical elements and oxides went up to $112 million, 18.8% above January-September 1966.

Wheat flour exports declined 30.5%, to $68.3 million, but exports of grain mill products except wheat flour went up 47.2%, to $52.8 million.

Exports of passenger cars reached $554.6 million, up 69.4%.

Foreign sales of U.S.-made steel sheets and strips totaled $120.7 million, up 22.6%.

Exports of commercial, industrial and

military electronic equipment expanded by 41.7%, to $572.6 million.

Total log exports rose to $137.8 million, up 44.5%. Softwood log exports led with a gain of 50.6%, to $115.8 million.

In the textile field, exports of cotton, wool, animal hair and waste showed a 32.2% increase, to $383.0 million.

Significant changes in U.S. import trade in the first nine months of 1967:

U.S. imports of plate and flat glass amounted to $15.5 million in the nine-month period, up 31.9% over January-September 1966.

In the category of foods and beverages, imports of refined sugar accounted for the largest dollar volume, $443.4 million, up 17.4%. Imports of vegetables and cheeses went up 56.6% and 28.3%, respectively. Imports of berries dropped 33.1%, and imports of herring, tuna, and certain other fish declined 20%.

Total non-rubber footwear imports rose to $157.5 million, 39.4% above last year's level.

Imports of agricultural machinery and equipment amounted to $250.1 million, 15.1% more than in 1966. Total truck, bus and special vehicle imports advanced 110.5%, to $187.9 million, but imports of civil airplanes declined 61.6%, to $44.1 million.

Sharp declines ranging from 62.4% to 48.3% occurred in imports of ferrochromium, aluminum sheets and plates, cobalt and pig iron. Imports of various other products in the metals and minerals category also dropped substantially. A 17.9% increase was reported for imports of cold rolled sheets, which advanced to $121.9 million through September.

Imports of computing machines rose to $101.1 million, up 37.9% over the first nine months of 1966, but substantially below both the dollar volume and percentage growth of U.S. exports of computers. Also in the category of electronic, scientific, photographic and business equipment, imports of X-ray tubes and apparatus rose 34% to $12.2 million, and imports of photographic equipment advanced 19.2% to $55.9 million.

Printing and book paper imports went up 35.1% to $22.3 million, but imports of decals, postcards, calendars and similar products dropped 73.9% to $12.6 million.

The *Export/Import Summaries* may be ordered from the Clearinghouse for Federal Scientific and Technical Information, U.S. Department of Commerce, Springfield, Virginia 22151. The individual subsections are priced at $3 a month, or $36 a year. All seven subsections on either imports or exports are available at $21 a month, or $252 a year, and the entire series of all subsections is $504 a year.

Commerce, SBA join forces to aid small businessmen in exporting

Nine-point cooperation agreement signed by agency heads; Bureau of International Commerce to coordinate Commerce role

The U.S. Department of Commerce and the Small Business Administration have formally joined forces to help more of the nation's small businessmen enter foreign trade.

Secretary of Commerce Alexander B. Trowbridge and SBA Administrator Robert C. Moot signed an agreement providing for a joint campaign to expand U.S. exports.

The agreement was praised by Senator George A. Smathers, chairman of the Senate Small Business Committee, as "a program of cooperation to assist American businesses in making the most of foreign business opportunities.

"As we are all aware, international trade is expanding rapidly, and the U.S. share is important to our balance of payments . . . over 90% of all the firms in this country are small business, and these are the organizations that are most in need of assistance," he said.

The agreement spells out the responsibility of each agency in the accelerated export program for small business. Highlights of the agreement are:

- SBA will encourage small businesses to participate in U.S. commercial exhibitions, U.S. Trade Center exhibitions, trade missions and trade conferences;
- SBA will give additional emphasis to loans to small business for participation in foreign trade;
- Commerce and SBA will co-sponsor meetings with U.S. industry and small business concerns to develop international trade and investment;
- SBA will seek to stimulate export trade in its counseling and assistance to small business, and will refer interested persons to the Commerce Department for substantive counseling;
- Commerce will designate a senior officer to serve as small business export advisor;
- SBA and Commerce will help make foreign currencies owned by the U.S. available to small business concerns for foreign trade purposes;
- Export trade subjects will be included in SBA-sponsored administrative management courses with public and private educational institutions and business associations;
- Commerce and SBA will develop publications, visual-audio aids and promotional materials on foreign trade, and
- Commerce will channel selected foreign trade opportunities to SBA, and SBA will encourage foreign manufacturers of specialized goods to establish joint facilities with American small businesses, especially in depressed areas.

AGREEMENT IS SIGNED by Secretary of Commerce Alexander B. Trowbridge (l.) and SBA Administrator

AT U.S. EMBASSY IN TOKYO, Alabama trade mission director Julian Smith (l.) and member Holt Leach talk with Jay Van Swearingen, U.S. Commercial Attache, and member Thomas C. McCain, Jr.

Third Alabama industry mission reports immediate results from visit to Far East markets

Members visited Japan, Taiwan, Hong Kong, to promote goods made in State; some orders secured, good prospects seen

The State of Alabama a few weeks ago sent its third trade mission abroad—this time to the Far East.

Returning last month after a three-week tour in Japan, Taiwan, and Hong Kong, the mission reported new accounts, new representatives, new contacts, good prospects for additional business.

The members not only represented their own companies, but went equipped with business proposals from several other Alabama firms, says Mission Director Julian Smith, chairman of the Alabama Export Council's Trade Development Committee.

Products promoted were such items as animal feeds, hickory ski billets, chairs, children's apparel, screens and wire, floor tile, lumber.

Shipments now

In Japan, the members visited a Tokyo Bay container berth and the Port of Yokohama. Holt Leach, president, Leach Manufacturing Co., Gadsden, Ala., traveled to poultry farms in Nagoya and Yokohama. He secured an initial order for a Lemanco stock point feed distribution system, which will be shipped to Japan immediately; others are expected to follow.

Leo Self, Self Cycle and Marine, Tarrant City, met "almost hourly" with Japanese firms interested in purchase of motor cycle accessories and crash helmets. Thomas McCain, Jr., president, McCain Manufacturing Co., Birmingham, went with Director Smith to visit the Hanshin Department store in Osaka. In Tokyo, McCain arranged for shipment of an initial order of children's apparel to the Midoriya Co., one of the country's largest stores with about 40 outlets.

In addition to the members just named, Lee Seifert, vice president, International Department, First National Bank of Mobile, served on the mission.

In Taiwan, the members visited the China Productivity & Trade Center and the Chinese Display Center in Taipei, and the Metal Industries Development Center in Kaohsiung.

In the Crown Colony, the mission met with officials of the Hong Kong Trade Development Council, General Chamber of Commerce, Chinese Manufacturers' Association of Hong Kong, and Federation of Hong Kong Industries, and toured Hong Kong Harbor. Twenty-two reporters attended a press conference; television, radio and press coverage was excellent, the mission reported.

Invitation to Mobile

Each country visited was offered the use of the exhibit area in the new International Trade Center at Mobile, free of charge. All showed keen interest, said Smith, and arrangements for an exhibit from Hong Kong are expected to be completed soon.

The Alabama Export Council organized the business tour, which had U.S. Department of Commerce approval.

The first Alabama mission went to Central America and the Caribbean in the fall of 1965; the second, to Europe a year later.

TOURING YOKOHAMA HARBOR, mission is guided by K. Watanabe, of Kaigai Kubushiki Kaisha, agent for Lykes Bros. Steamship Co., in Yokohama. Mission also visited Taiwan and Hong Kong.

U.S. high fidelity equipment manufacturers to go after Swedish market in February

Show at Stockholm Trade Center will feature high quality cartridges, changers, microphones, tape decks, tuners, records, and other components

Scandinavian businessmen will hear the sound of music from the newest in American high fidelity equipment when U.S. firms feature their latest lines in a special show at the U.S. Trade Center in Stockholm, Sweden, Feb. 15-21.

The show's target is Sweden's estimated $5 million market for high-quality audio equipment and components—a market expected to double in a few years.

The Trade Center show comes at a time of strong consumer demand for all types of high-quality convenience and luxury items. Sweden's economy is flourishing, giving its people one of the highest standards of living in the world.

The Stockholm show will give exhibitors an opportunity to discuss recent developments in design and production of U.S. hi-fi audio equipment with buyers, agents and distributors from Sweden and the Nordic area countries of Denmark, Finland and Norway.

Loudspeakers, tape recorders, pickup arms and cartridges are manufactured in Scandinavia, but demand for high fidelity equipment is met largely by imports, market studies show. Parts, components and accessories appear to offer better sales prospects than complete packaged systems.

U.S. products with good sales potential include cartridges, headsets, amplifiers, speakers, microphones, turntables, pickups, tuners, kits for home assembly, tape recorders, antennas, recording tapes and U.S.-label records. Sweden also is a prospective market for background-music systems, and for high-quality sound reproduction equipment for libraries, schools and other institutions.

U.S. exhibitors in the Stockholm show will benefit from a market development program now under way in the Nordic area to attract buyers. An agency-finding service for firms not represented in the market also is in operation.

Because of widespread interest in U.S. hi-fi and stereo sound devices and components, the Stockholm Trade Center will open its doors to the general public during certain hours of the show. Attendance at Trade Center shows normally is limited to buyers, agents and distributors.

U.S. makers of high fidelity equipment have been successful at selling abroad through past Commerce export promotions. For example, the 32 U.S. firms in a show of high fidelity and stereo equipment at the U.S. Trade Center in London in April 1966 report doing more than $1 million worth of business abroad in the year following the show. They also report signing 32 agents and distributors to handle their products.

American manufacturers interested in taking part in the Stockholm show may obtain more information from the Bureau of International Commerce (code 946), U.S. Department of Commerce, Washington, D.C. 20230 (Phone: area code 202-967-3839), or from any of the Department's 42 Field Offices.

Swedes reschedule medical care and health exhibition

Swedish fair authorities have rescheduled the Medical Care and Health Exhibition, originally set to take place this fall. New dates for the exhibition are April 3-7, 1968, in Goteborg.

A medical congress sponsored by the Swedish Hospital Federation will be held during the show, and is expected to draw most domestic hospital administrators and medical personnel, as well as many from the neighboring Scandinavian countries.

Write: Svenska Massan, Goteborg S, Sweden.

Fourth electronics exhibition set for next April in Nairobi

Dates have been set for the fourth annual exhibition of the Electronics Group of the East African Institution of Engineers, ELECTRO/68. The show will take place in Nairobi, Kenya, April 3-6, 1968.

ELECTRO is the only electronics trade show in East Africa, and U.S. manufacturers in the field will have an excellent opportunity to introduce new products or to enter the market for the first time.

Most of the items on display are expected to be in the radio electronics field, but a special section of the exhibit hall has been set aside for business machines.

Write: ELECTRO/68, Box 21130, Nairobi, Kenya, East Africa.

EXHIBITION BRIEFS *WORLDWIDE*

INTERNATIONAL MARITIME EXHIBITION "NAVIGARE", HELSINKI, FINLAND, Sept. 15-24. 341 exhibitors, mostly from outside Finland. 23 AMERICAN EXHIBITORS, showing complete boats and auxiliary equipment. Attendance 55,000, mainly trade and industry representatives. British exhibit, with largest number of overseas exhibitors (74) was probably best attended, primarily because of Hovercraft exhibit. Third NAVIGARE, set for 1968, should prove a good introductory vehicle for U.S. products.

INTERNATIONAL ELECTRONICS EXHIBITION "FIRATO," AMSTERDAM, Sept. 21-Oct. 1. 152 exhibitors representing over 1,000 companies from 22 countries. 21 U.S. EXHIBITORS, showing organs, tape recorders, phonographs, and a variety of electronic components. Visitors totaled 220,500, up by almost 90% from the 1965 show. Increase was attributed to popularity of new color television sets. Fair officials called sales results "extremely successful." A good fair for local agents of U.S. firms to use to introduce new products. Next exhibition, September 1969, but "FIAREX" specialized professional electronics show scheduled for Oct. 28-Nov. 1, 1968.

NINTH SOMALI INTERNATIONAL TRADE FAIR, MOGADISCIO, SOMALI REPUBLIC, Sept. 28-Oct. 12. 294 local and foreign exhibitors; eight foreign nations represented. 14 AMERICAN EXPORTERS exhibited products in the commercial section of the U.S. Pavilion. Attendance at U.S. Pavilion 243,000; total for fair over 600,000. Fair offers an opportunity for U.S. firms to break into the market with modest beginning sales on a small initial investment. Next fair planned for 1969.

INTERNATIONAL CONSTRUCTION EQUIPMENT EXHIBITION AND CONFERENCE, LONDON, Oct 2-7. A record 274 exhibitors, 40 more than in the 1965 edition, participated. MUCH AMERICAN MACHINERY in evidence, mostly made by European subsidiaries or licensees of U.S. firms. Exhibition is an excellent showcase for American construction equipment firms well established in the market. New-to-market firms would do well to concentrate on smaller equipment and accessories, where competition is less keen. Next exhibition set for 1969.

NEW HANDLING EQUIPMENT included Clark Air Pallet Equipment Co.'s high-capacity pallet (above), which rides a cushion of air. AMF-Hawker Siddeley's "Versatran" industrial robot control panel (below) drew questions from trade visitors, with company representatives making six-figure sales projections.

Milan Center marks thirtieth exhibition

Materials handling show continues cooperation with local fairs

Celebrating its thirtieth exhibition in its three and one-half year history, the U.S. Trade Center in Milan held a show of materials handling equipment from Oct. 4-10.

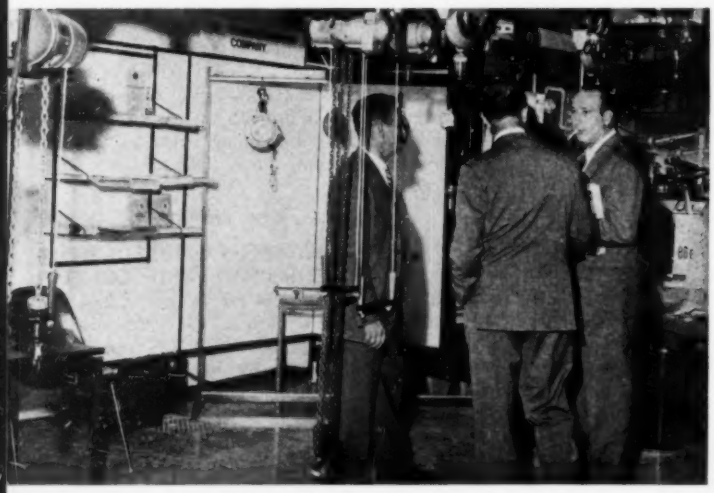
The show was held in cooperation with the Italian-sponsored IPACK/IMA packaging, food processing, and materials handling equipment exhibition, continuing the Trade Center's tradition of coordinating its shows with the fairs at the adjacent Milan Fairgrounds whenever possible.

The 23 companies exhibiting in the Trade Center show came away with close to $100,000 in immediate sales, with over $1.5 million projected in sales over the next year as a result of participation in the exhibition.

Visiting IPACK/IMA officials observed that the collaboration had proved beneficial to both shows, especially in connection with several seminars held. The fair's symposium on container transport had a substantial participation by U.S. firms.

In a special ceremony marking the 30th show at the Trade Center, director Martin Stahl pointed out that U.S. firms had concluded $4.5 million in on-the-spot sales at the 30 shows, with an additional estimated $50 million in sales resulting from the exhibitions.

ITALIAN REPRESENTATIVE of Gardner-Denver Co. (at left in below left photo) shows "Distribut-Air" overhead hoist system to potential customers at show.



Cargo control system for containers was shown (below right) by Aeroquip Corp. Distributorships are now under negotiation in France and Italy.

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CURRENT BUSINESS DEVELOPMENTS IN BRIEF: **French** imports from the U.S. during Jan.-Sept. were $934.4 million, up 4.9% above January-September 1966. Total French imports increased to $9,128.3 million, up 5%. The year-to-year increase in imports from U.S. was 18% during the first quarter of 1967, and 4.7% during the second quarter, but imports from U.S. declined 7.7% in the third quarter. This trend in French imports from U.S. reflects the slowdown of the French economic expansion and of import demand. The U.S. share of the French market in January-September was 10.2%, i.e. the same as during the corresponding period of 1966. . . . The Colonial group of Boston, has appointed the Frankfurt bank Koch, Lauterer & Co. sole agent for the sale in the Federal Republic of **Germany** of the American company's investment funds. For this purpose, the German bank has founded a subsidiary in Frankfurt/Main. The funds to be handled are the Colonial Funds, Colonial Growth and Energy Shares, and Colonial Equities. . . . A stock exchange was recently inaugurated in **Iran.** Trading is expected to be initially in government bonds although the country's new tax law accords tax advantages for companies listed on the exchange. . . . Official statistics indicate that in the first nine months of 1967, **Spain's** imports fell 2.2% to $2,661 million from the same period last year ($2,721 million); of the total, $446 million or 16.8% was supplied by the U.S. ($473 million and 17.4% in 1966). From Jan.–Sept., Spanish exports rose to $964 million, an 11.8% increase over 1966. Sales to the U.S. amounted to $143 million, or 14.8% of the total ($101 million and 11.7% in 1966).

All Italy signs are 'go'

Practically every industrial area of the economy reported to be having a good year

By B. ROBERT SARICH
Commercial Attache
U.S. Embassy, Rome

Italian economic growth continues, spearheaded by rising industrial production, strong domestic demand and relatively stable prices.

Italian agriculture is enjoying a fairly good year, and continued peace in the labor field also contributes to the general prosperity. Although there are some clouds on the horizon, most economic indicators point to sustained economic expansion, and business leaders anticipate that the momentum achieved by the economy will be maintained in the foreseeable future.

Italy today offers both sales opportunities and challenges to the American exporter. With the industrial sector in a stage of significant expansion, plant modernization and automation, there are substantial commercial opportunities in a market where U.S. annual sales of industrial goods exceed $750 million.

GNP gain predicted

The forecast is that again in 1967 Italian gross national production will increase at the encouraging rate of 5.5%, a rate already reached over the first seven months.

Practically every industrial sector has registered gains during the current year. Heading the list was metallurgy, followed by the clothing, shoe, and leather industries, automobile, machinery and paper industries. Mining and gas production, and electric power output also rose significantly.

The soft spot in the economy remains the textile industry, where production has leveled off after the rapid gains shown in 1966. While it is expected that the upward trends of production will be maintained, there is concern in some business quarters at the growing competition from Italy's Common Market partners.

Competitors enter market

Strong competition for the Italian market is becoming increasingly evident, affecting U.S. exports, both agricultural and industrial. Stiff competition from Argentina reduced Italian purchases of U.S. corn, and imports of corn from South Africa and Brazil may also be viewed as future competition for the United States.

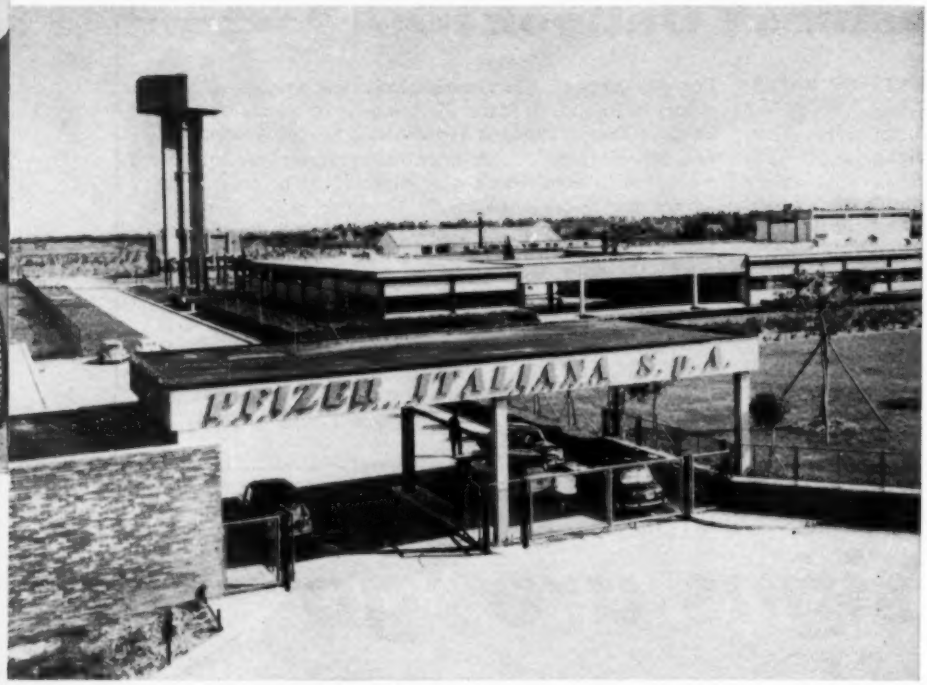
In addition, the Common Market's price support policy for corn and other feed grains is becoming a major factor in reducing the market for imports. The current guaranteed producer price for next year's crop has farmers now planning to shift to corn production, primarily at the expense of wheat acreage.

Internal tariff reductions accelerate Italy's trade within the Common Market. Trade statistics reveal significant increases in Italian imports from other EEC countries, particularly West Germany and France. In addition to competition from Common Market countries, the United States is also facing export gains by the United Kingdom, Argentina, Switzerland and several other countries.

Increased production by U.S. companies in Italy through subsidiaries or joint ventures is likely to have an impact on future U.S. trade expansion. The extent of this activity is reflected in the large number of announced new investments in various economic sectors, ranging from candy manufacturing to small helicopters. According to press and business reports during 1967, American companies are now participating in the production of specialized lathes, electronic products, rolled and forged metal products, pulp and paper, agricultural machinery, color TV tubes, heating equipment and air-conditioners, small sized helicopters, nuclear fuel assemblies, desalination plants, chemicals, pharmaceuticals, American-style furniture and many other products.

U.S. firms find success

Most of these American companies are reported to be doing well. A typical example of successful operations is the Varian Assoc. of Palo Alto., Calif., which established a wholly-owned subsidiary, Varian S.p.A., in Turin in 1963 for marketing and manufacturing vacuum systems, recorders, electronic controllers, time-averaging devices, Vaclon pumps and components. Following three years of



MOST U.S. FIRMS located in Italy report that they are sharing in the general Italian prosperity. The Pfizer Italiana plant above and the Goodyear operation at left are both located near Rome.

successful operations, the company has just opened a new large plant.

In its manufacturing operations it has aimed to convert existing American designs to European standards and preferences; to develop new products for use in Europe; and to provide technical assistance to customers. The company has sent its top Italian officials and employees to the United States for study and training, after which they return to the Turin factory. Here is an example of the "brain drain" in reverse.

Italy is currently facing increased competition from other Common Market countries and to meet this challenge business leaders in key industries are attempting to reduce rising production costs. They are looking to labor-saving devices and methods to increase productivity, and are seeking to improve the quality of products. They are directing particular attention to standardization of production, specialization and automation. Thus, pressure from Common Market competition is creating new sales opportunities for a wide range of equipment of advanced types. This is a field where U.S. technology and advanced design could play an important and constructive role.

Based on trade journals, comments from business executives, market surveys and personal observations, several production lines embodying U.S. design and technology warrant closer examination for their sales potential.

The rapid development of data processing and telecommunications is creating a continuous demand for a variety of electric components such as relays, switches, printed circuits, resistors, trimmers, microwave tubes, microcircuits, silicon controlled rectifiers and many others. In this field American producers, thanks to advanced design and new products not available elsewhere, have a distinct advantage and can expand their sales in the Italian market.

Consumers spending more

The changing buying habits of the Italian public, due to higher real income and the broader choice of consumer goods, offer U.S. traders new sales opportunities. Italians are spending more on labor- and time-saving devices, gadgets and recreational goods such as hi-fi and stereo, camping equipment and motorboats.

Italy will continue to be an excellent market for U.S. medical and surgical equipment. A recent market survey shows that many of Italy's 1,200 hospitals need modern equipment. The survey identifies among others the following specific items offering sales possibilities: sterilizers, ultrasonic cleaners, radioisotope probes and monitors, mobile whirlpool therapy units, insulators, resuscitators, incubators, chromatographs, cardiographs and other laboratory testing and measuring equipment.

Imported air-conditioners of the small autonomous type may have a decreasing market in Italy because several U.S. firms have entered into licensing arrangements with Italian manufacturers for the production of such units in Italy at competitive prices. Some market opportunities, however, exist for imported automobile air-conditioning units.

While small refrigerators are manufactured in Italy, there is a limited market for larger-sized models. For instance, in Rome at the well-known department store Rinascente, RCA Whirlpoolicematic refrigerators are on sale. A 14.1 cu. ft. model sells at 400,000 lire ($640) and a larger 15.9 cu. ft. model costs 450,000 lire ($720).

In connection with the expansion of American trade in Italy, the role played by the U.S. Trade Center in Milan is worth mentioning. With its many exhibitions and shows, it contributes greatly to broadening Italian knowledge of American products and enhances the expansion of U.S. commercial exports in many product lines.

U.K. strives for upturn

Signs of recovery emerge as Government reflationary measures work way through economy

The U.K. economy in October appeared to be just on the turn, with recovery seen as a long drawn out process.

Statistics reflecting this recovery are only beginning to surface, but a rather marked change toward a more optimistic outlook is revealed in recent industrial opinion surveys.

The various reflationary measures announced by the Government over the past few months are starting to work their way through the economy, with the last batch of measures—the easier credit terms for cars, cycles and a wide range of consumer durables announced at the end of August—appearing to have the most immediate impact. The recovery pace envisioned is an annual growth rate of 3%, which is regarded as the rate compatible with maintaining a satisfactory balance of payments position, and observers generally agree that output should begin to rise gradually and perhaps unevenly from now onward toward this rate.

In considering signs of recovery now emerging, however, the magnitude of the production decline the U.K. experienced in the autumn of 1966, which was the largest for a three-month period since the 1947 coal crisis, should be kept in mind.

The most recently published national income estimates suggest that there was little change in gross domestic product in real terms between the first and second quarters of 1967 in contrast to the increase of about one-half of one percent registered in the first quarter over the final quarter of 1966. Total domestic output for the first half, however, was a little above the second half of 1966.

Output rises slightly

Industrial output rose slightly between the first and second quarters, but less than the previous quarter. Although the most recent Industrial Production Index (August) does not corroborate a rising trend in output, unemployment figures for September and October show a sharp deceleration in the upward trend of unemployment and suggest that production is picking up.

Distribution of the recovery in output is uneven. The chemical industry, which for some years has been one of Britain's fastest growing industries, continued its rise.

Textile output maintained its upward trend begun in early 1967, still spearheaded by record rates of production in manmade fibers. Impelled by a slackened home market and the need to keep production lines in continuous use, exports of manmade fibers have risen 20% in the first seven months of 1967. The Lancashire cotton trade, however, is still depressed though the outlook for restocking orders is apparently improving.

Most remarkable is the very definite upswing taken by the paper and board industry in spite of months of economic squeeze combined with rising imports resulting from free trade with EFTA and the end of the import surcharge. These increased imports reportedly took over one third of the British market during the first half of the year. Output is on the rise and record paper exports—up 12% —have been announced for the first seven months of the year.

A less cheerful picture is given by the engineering and capital goods industries which are the heart of British industry and the mainstay of its export trade. Output here remained fairly static during the second quarter. The mood, however, varies sharply among the sectors. In light to medium engineering, among appliance makers and those companies more dependent upon the motor and construction industries, confidence is now quite strong. For all heavy engineering, though, order books are declining and reductions in deliveries are expected. In machine tool orders, export business has kept up whereas home orders have dropped considerably.

There are a few signs that new credit schemes for machine tool orders (low repayments over first few years) are producing results, but what is really awaited is the turn around in manufacturing investment. Even allowing for the recent industrial disputes, production in the motor industry through September was below production for the comparable period last year. But optimism is running high among the car makers in view of surging sales since the hire purchase relaxation of late August.

Steel production has remained steady with export shipments—albeit of doubtful profitability—at record levels. Construction seems on a firm upward trend both in terms of output as well as new orders. The bulk of construction is in the public sector but an encouraging indicator is that private orders for industrial work jumped to £52 million ($145.6 million) in July—the highest monthly order record ever.

Unemployment rate slows

Unemployment is still rising but on a less steep trend since mid-August. On a seasonally adjusted basis the percentage rate went down in October to 2.3% from 2.4% the previous month—the first fall in the adjusted rate since unemployment figures started climbing last fall. Nevertheless the total October figure is the highest (560,699), for that month since the war.

The combination of static output together with fairly rapidly falling employment is focusing attention on productivity gains. Up-to-date statistics are lacking but both the National Institute of Economics and Social Research and the *London and Cambridge Economic Bulletin* find evidence that the improvement in output per man-hour, particularly in manufacturing, has been greater in the last two years than in previous "stop" phases. Data recently released for the second quarter shows that output per man-hour in manufacturing rose from 133.7 (1958 = 100) in the first quarter of 1965 to 144.5 in the second quarter of this year—an increase of just over 8%. The Treasury has pointed out that the comparable increase in the corresponding

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period of the last cycle was only 4.8%.

The best hope, says the *Financial Times*, that this mildly optimistic feature of the present economic situation will prove correct is provided by the behavior of manufacturing investment which, so far at least, has fallen less than in previous recessions.

The Board of Trade's most recent survey indicates that private industry is planning to reduce capital expenditure by about 6% this year, compared with a figure of between 8% and 9% resulting from a May survey. The most recent forecast made by the Confederation of British Industry on the basis of its four-monthly industrial trend survey also indicates less of a decline for 1967 than previously forecast.

The level of fixed capital expenditure in the first half of this year was over 4% above the level of the first half of last year.

For manufacturing there was a fall of almost 3% over the same period. Within manufacturing, expenditure on plant and machinery in the second quarter was virtually unchanged from the first quarter; expenditure on vehicles was higher but expenditure on new building work reached its lowest point since 1963.

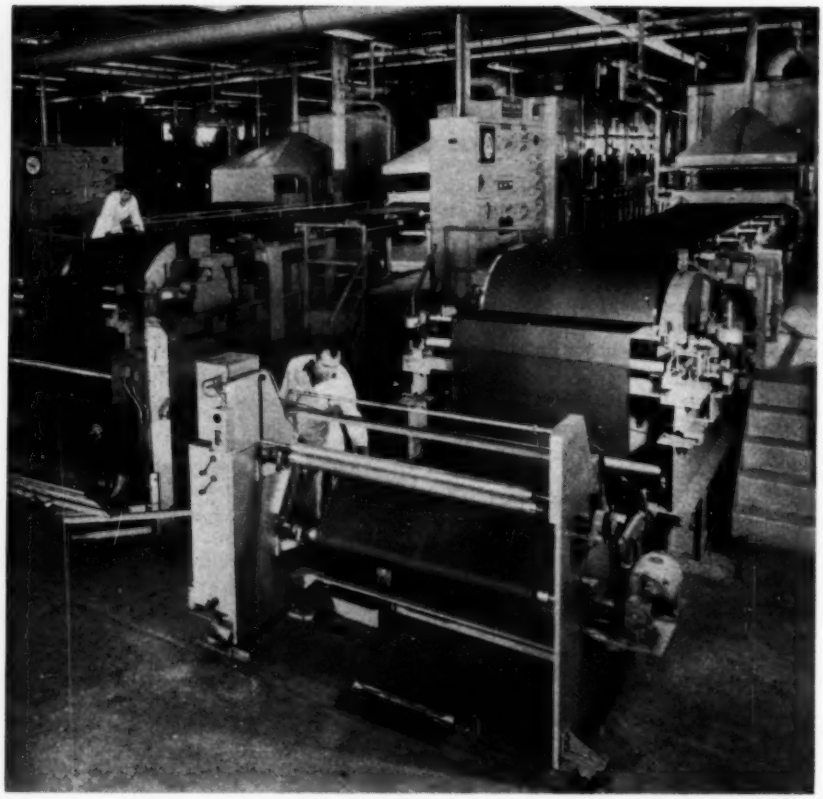
The recent downward trend in profits was reversed for industrial companies reporting in September, and a rise in profits compared with the previous year of 4.2% was recorded. The result is a net rise of 0.3% for companies reporting in the third quarter of 1967. Also, with the ending of the "freeze-severe restraint" period in July an increasing number of companies raised their dividends.

Stock market hits highs

Certainly a paradoxical aspect of the U.K. economy at this time is the contrast between the buoyancy of the stock market and the state of the economy. Whereas the stock market for the past two months has pushed its way through a welter of bad news and discouraging statistics to reach new alltime peaks, the economy is still marked by a sluggish rate of output and rising unemployment.

A number of explanations are being put forward, among them a shortage of stock brought about by the corporation tax, the capital gains tax which binds investors to their present holdings, as well as the transfer of steel stock under nationalization. Merger bids are also believed by observers to be pushing the market up as well as some practical hedging against inflation or devaluation.

Undoubtedly important but immeasurable is the psychological effect of the credit relaxations announced suddenly in late August leading business to assume that the Government is seriously out to get the economy moving again.



AMERICAN MACHINE & FOUNDRY'S WORLD GROUP outfitted Imperial Tobacco plant at Manchester with equipment to make cigar binder. Private industry capital outlays are expected to dip 6%.

A recent editorial in *Management Today*, however, suggests that the increase of stock prices is now too substantial to attribute solely to the foregoing factors and is instead indicative of future levels of investment and improving profit margins.

Following the end of the incomes freeze and severe restraint there was a jump in wage rates in July. Earlier this year, the Department of Economic Affairs predicted that wage rates may have increased 6% by the end of 1967 over mid-1966.

The Retail Price Index showed a slight drop in the third quarter and stood at only 1½% above the level of a year ago. Recent figures indicate that wholesale prices, which have been virtually stable for a year, have risen slightly.

The recovery in consumer expenditures first evident in car sales during the summer is now spreading to other sections of the economy. In August the index of the volume of retail sales rose one point to 111. This August figure does not yet reflect the hire-purchase relaxation of late August boosting consumer durables generally. Recovery in consumer spending should continue to pick up through September and beyond.

Although credit business is reviving it is doing so from a very depressed level. Consumers are undoubtedly making their own assessments of the unemployment trend and delayed income rises. Hence, a more cautious approach to credit by the consumer may be indicated for the future.

Demand for bank credit is still weak although a slow upward trend in bank advances began about mid-summer. Bank deposits, however, are still rising. Banks are in a comfortable liquidity position and ready to finance a large increase in lending as demand begins to revive.

On October 19 the Bank rate was raised a half point to 6% in an effort to make British rates more competitive vis-a-vis U.S. interest rates. The rate was raised purely for external reasons and obviously not as a domestic deflationary move. The increase is not expected to affect investment plans.

Although the beginnings of a number of optimistic trends are now discernible in the economy, this optimism still does

not yet apply to exports. Looking beyond the monthly fluctuations to a trend, exports reached a peak in the first quarter with a monthly average (seasonally adjusted) of £450 million ($1,260 million). In the second and third quarters exports fell back to monthly averages of £434 million ($1,215 million) and £422 million ($1,182 million).

Third quarter figures have been depressed by the consequences of the Middle East crisis and the September figure was affected by the September-October dock strikes. The most important factor, however, has been the slowdown in the international trading pace which may frustrate British export prospects for the rest of the year.

Slackening demand in Britain's two best export markets—the United States and Germany—is reflected in the drop in exports since the first quarter. The earlier fall in exports to the United States now seems to be levelling out, but the German market has apparently not improved.

Factors affecting imports

The import trend is being closely watched and—for the time being at least—seems to be moving in the right direction. Seasonally adjusted monthly averages for the first three quarters of this year are £524 million ($1,467 million), £535 million ($1,498 million), and £518 million ($1,450 million), respectively.

The first quarter was affected by the removal of the import surcharge and the latter two by the closing of the Suez Canal. Imports in September were disturbed by a sharp rise in fuel imports, reflecting delayed arrivals as well as higher prices and freight charges. During the third quarter, however, imports of food and tobacco and industrial material were well down, while even finished manufactures were down a little from the second quarter. Marked import increases over the year are recorded for construction and earthmoving equipment, machine tools and office machinery (mainly computers).

The U.K. balance of payments in the second quarter deteriorated from the first quarter. While the surplus in the balance of monetary movements continued for the third consecutive quarter, it fell to £11 million, compared to £175 million in the first quarter.

As of the second quarter of 1967 the seasonally adjusted balance of payments on current account showed a deficit of £125 million (following a surplus of £30 million in the first quarter) reflecting the fall in overseas demand for exports and the high level of imports.

The seasonally adjusted surplus in invisibles declined from £81 million in the first quarter to £25 million in the second quarter. But for the first half year as a whole invisibles were running a good deal higher than last year. On capital account there was a net inflow of private investment for the third successive quarter due to both lower U.K. investment abroad and higher foreign investment in the U.K.

Implications for U.S.

For the foreseeable future, the outlook for U.S. products on the British market will obviously be affected by the degree of success Britain has in solving its economic and, particularly, its balance-of-payments problems. Current indications of a modest gain in British economic activity suggest that the market should continue to offer good prospects for American exporters for the rest of the year and on into 1968.

On the other hand, disappointing British trade figures in recent months have been creating a psychologically depressant effect on receptivity to imported goods as opposed to British products. Should British trade figures improve, this depressant should diminish. However, should they deteriorate, the result could be a difficul climate characterized by widespread concern over the volume of imports and the possibility of new Government restrictions on trade. Also, the rise of protectionist sentiment in the United States is being watched with grave concern as to its implications for Britain's export trade.

Demand for U.S. goods was brisk in the first seven months of 1967. Britain's overall purchases from the United States rose by nearly 9% compared with a global rise in imports of less than 5% for the same period.

Broad gains

Of particular significance for the long term were gains of 27% in U.S. sales of non-electrical machinery, 13% in electrical machinery, 16% in professional and scientific equipment, 13% in chemicals, and 12% in fruits and vegetables. All are broad and important product groups in which sales represent the aggregate efforts of large numbers of American exporters. Demand for machinery and professional and scientific equipment should remain buoyant as it is these goods that the U.K. needs in its drive to modernize its industry. Accelerated growth in these areas can be expected when the investment level recovers.

Consumer goods seem to have been affected by the low level of consumer spending during the credit squeeze. Early in 1968, however, an important six-week promotion of American consumer goods will take place at Harrods, London's leading department store. This event, supported by the U.S. Department of Commerce, should produce considerable immediate sales, as well as heighten British awareness of American consumer products.

Several special factors have also contributed to the rise in imports from the United States. These include substantially increased purchases of American tobacco and petroleum because of the Rhodesian and Middle East situations, and a large increase in purchase of American aircraft.

U.K. demand for most raw materials and semi-finished materials has weakened lately. Because of increased home-grown supplies, particularly another large barley crop, grain imports may fall off this year. On the other hand, the closing of the Suez Canal together with sharp reductions in U.K. deciduous fruit production this year have led to increased non-sterling area quotas for fresh apples and pears from which the United States may benefit.

EFTA competition

Third country competition with U.S. imports is primarily from the EEC and EFTA countries. With removal of all tariff barriers on January 1, EFTA exports to the U.K. have accelerated with, in some cases, difficult situations arising on the domestic market from these increased imports. Two such cases were cotton textiles and pulp which were resolved through bilateral Government understandings.

The drive toward import savings through the substitution of British production can be expected not only to continue but to be given greater emphasis in view of the high level of imports in recent months.

There is no evidence of psychological bias against products either imported from the United States or produced by United States companies. There is apparent, however, a certain edginess concerning the level of U.S. direct private investment in the U.K. (and in Europe generally) which find occasional expression in the press or on a radio or TV program. But economic chauvinism is not a problem in the U.K. since even the critics admit that it would be self-defeating to impose any controls on U.S. investment and that U.K. industry has much to learn from the more efficient and growth-minded American businessman. Furthermore, it is government policy to encourage foreign investment, particularly in development areas.

Government steps haven't revived Sweden's economy, but outlook should improve by end of year

U.S. machinery and industrial equipment held in high regard; Government increases money supply, easing credit availability

The predicted Swedish upturn has failed to materialize despite a series of Government measures to revitalize the economy, but the outlook is expected to improve by the end of the year.

Although it now appears evident that the year which came in like a lamb will not go out like a lion, some small improvement in overall economic conditions still seems likely for the latter part of the year, according to the latest Economic Trends Report submitted by the U.S. Embassy in Stockholm.

The Finnish devaluation of 31.35% which became effective Oct. 12 came at a moment when Swedish authorities were expecting the economy to pick up. Because of contracts already signed, it is not believed that the devaluation will have much effect on the Swedish economy in the immediate future.

However, the long term effects, particularly on the 26% of Swedish exports represented by forestry products, may be somewhat damaging.

To stimulate economic activity, the Government since the first of the year has twice lowered the discount rate (now 5%), has made a strong injection of liquidity into the money supply, has twice released blocked investment funds for use by private companies, has stepped up other activities of its Labor Market Board, and has encouraged housing construction.

At the beginning of the year the Government was predicting a 1967 increase in the gross national product (GNP) of 4% compared to the 2.6% growth in 1966. The downturn in economic activity, however, proved to be more marked than originally thought, with revised estimates placing the growth in GNP for 1967 at 3.5 percent. Even this may turn out to be on the optimistic side, although the Swedish economy in 1967 could still grow at a faster rate than in 1966. Improvement is being made in the balance of payments, credit is easier, and the labor shortage not so critical.

As a result of the release of investment funds, and other stimulative actions, industrial investment for 1967 will represent an estimated increase of 1.3% over last year.

Inventories, especially of processed goods, are currently regarded as too large in several industries. The backlog of orders is also regarded as rather small.

Industrial production in the first eight months of 1967 was up 1.9% over the comparable period of 1966, and in August of 1967 was only 0.6% above the figure for August of last year. It seems evident that the Government's predicted increase of 5% in industrial production will not be attained.

Corporations are feeling an increasing profit squeeze because of mounting labor costs and other production costs. While there have been no large business failures, there has been a tendency for small businesses to merge or close down. In spite of increased turnover, difficulty is still being experienced in offsetting rising costs.

Both public and private consumption in the coming months should increase, barring serious unforeseen developments abroad. In early 1967 the increase in the rate of growth in consumption was held down by consumer resistance to higher prices, which cut purchases of durable goods such as automobiles. Construction activities of local Government entities also declined.

On the other hand, retail sales in nondurables held up fairly well and are showing a good continued growth.

Industrial production statistics are expected to show an increase following the summer vacation period. Pulp and paper output before the Finnish devaluation was up considerably.

Stimulated by the closing of the Suez Canal and other factors, the shipbuilding industry is acquiring a comfortable backlog of orders. Building activity in particular picked up beyond expectations in the third quarter and should continue to grow.

Construction in connection with the changeover to right-hand traffic has been greater than anticipated, and continues.

Supported by the Government's expansive credit policy, industrial construction in new housing is on the upswing. Completed housing units for 1967 will be about 100,000 compared to 89,000 last year. Projected plans call for a 25% increase in hospital construction.

One of the most difficult tasks now confronting Swedish authorities is that of

AHLENS DEPARTMENT STORE, with food section shown above, serves buyers in Stockholm. Consumption growth earlier this year was held down by consumer resistance to higher prices.

stimulating the economy while containing serious inflationary pressures. Wholesale prices have remained remarkably steady throughout the past 15 months.

Consumer prices, however, have crept up in spite of the slowdown in the growth of private consumption, being 4% higher at the end of August 1967 than twelve months earlier. This increase reflects in part a 1% increase in the turnover or general sales tax, from 10% to 11%, last March.

Cost-push inflationary pressures remain because of built-in wage increases, agreed for a three-year period in 1966. Higher wage costs in 1966, 1967 and 1968 will amount to almost 10% per annum. To the extent that these wage settlements outstrip the increase in productivity which has been estimated by one reliable source at around 7%, they are inflationary.

Although unemployment is now increasing slightly, this is in some ways a healthy sign, and is in part the result of Government efforts to relieve a critical labor shortage and improve the competitive position of Swedish exports through a program of industrial rationalization.

A few months ago the number of unemployed workers covered by unemployment insurance had dropped to .5%, not enough to take care of the normal turnover between jobs. Now, however, this figure is 1.2%. Making allowances for seasonal variations, unemployment figures for the next six months can be expected to remain fairly steady.

Credit is considerably easier, and the money supply greater as a result of Government policy. Savings are up, partly as a result of a falling off of domestic demand. Commercial interest rates fell following the two lowerings of the discount rate in February and March of this year.

There was some expectation that the discount rate might be lowered again in order further to stimulate the economy. However, this seems less likely now in view of the British decision in October to raise the discount rate there.

Since Sweden first started running a considerable trade deficit in 1965, the Swedish Government has been concerned about improving exports and holding down imports. It is now in the process of organizing a Government Investment Bank which will have as one of its main purposes the rationalization of Swedish industries, particularly those in the export field, with the object of making Swedish exports more competitive abroad.

The trade deficit in 1965 was $401 million and in 1966 $296 million. The Government predicted last April that the trade deficit in 1967 would be $281 million. In the first half of 1967, however, it was held to $51 million. Various special circumstances contributed to some of this improvement, and the performance in the second half of the year is not likely to be nearly as impressive.

With these qualifications, it can still be said that progress is being made in reducing the trade deficit. Exports in the first eight months of 1967 reached an all-time high of $2,914 billion, an increase of 8% over the same period in 1966. Imports, on the other hand, at $3,044 billion, only increased 3% over the comparable period in 1966.

Although Sweden is still running a sizable deficit in its overall balance of payments, there is an increasingly larger errors and omissions item which covers hidden transactions favorable to Sweden. The country's gold and foreign exchange reserves continue to rise.

The sales of American goods to Sweden are currently off somewhat, especially for automobiles, but the picture should improve as the Swedish Government continues to stimulate the economy.

Until early this year, the sale of American products in Sweden has grown steadily. In the first eight months of this year, however, Swedish imports from the United States declined by approximately $8 million, or 3% while Swedish sales to the United States in the same period increased by 13%.

A big factor in the decline of American imports, besides a general leveling off of domestic demand in Sweden, was the loss in the sale of American automobiles. The purchase of Swedish as well as American automobiles declined because of a higher user's tax to finance the changeover to right-hand traffic in September, because of general uncertainty about the changeover, and because of buyer resistance to higher prices, and earlier to higher interest payments.

The changeover to right-hand traffic was easier than anticipated, and most of the other factors should be of less significance in the immediate future.

While the demand for American products has grown, and should continue to do so, the relative share of the Swedish market has been falling because Swedish foreign trade has been increasingly oriented toward nearby countries, particularly those enjoying tariff preferences within EFTA.

The growth of EFTA trade, and the growth of American subsidiaries in Europe, has contributed to a decline in the American share of Swedish imports, from 10% in 1964 to 9.3% in 1966.

The decrease in dollar value of imports from the United States in 1967 is probably only a short-term trend. As the Swedish Government continues to stimulate the economy, domestic demand, for American imports as well as for other products, will pick up.

And as the tariff reductions of the Kennedy Round negotiations begin to take effect, the preferential arrangements of EFTA will become less significant.

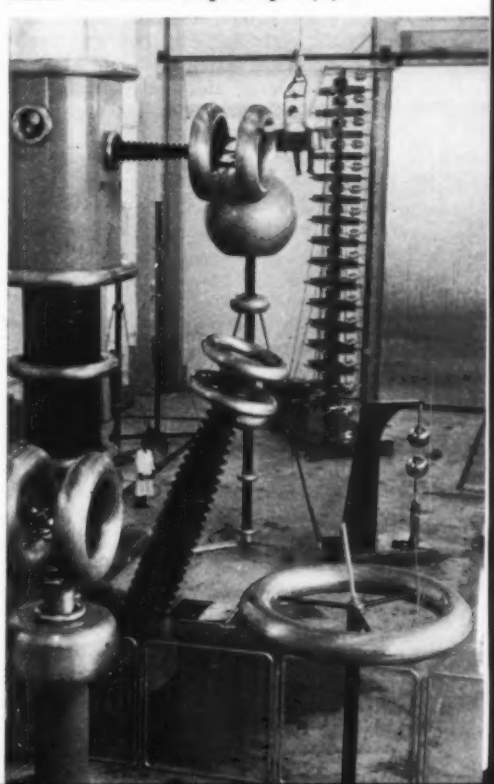
Inflation a problem

It should be pointed out that until now Sweden has been less successful than the United States in combatting inflation. Upward price movements over the long run, reflecting higher wage costs and increased domestic demand, constitute a serious problem for Sweden. The present trend in Swedish wages, which can be expected to continue at least for the short term, is favorable for American products and works to the disadvantage of Swedish products.

American machinery and industrial plant equipment are widely respected for their quality and well received in Sweden. Demand for these products in the coming months will increase to the extent that the general level of economic activity in Sweden increases.

The latter is dependent in no small part upon the amount and speed of economic recovery in Germany. While Swedish exports in general are up 8% this year, exports to Germany are down 17%. Since a fifth of Sweden's GNP comes from

DEMAND FOR U.S. MACHINERY in Sweden will increase as economic activity rises. Below, technicians work on extra-high-voltage equipment.



exports, the spillover effect in Sweden of the German slowdown is considerable.

The adjustments which have been going on in the preceding months in the Swedish economy (i.e., easing of the labor shortage, better liquidity, better equilibrium in the balance of payment, more credit) should result in the next few months in a healthier picture which would augur well for economic and commercial relations between Sweden and the United States.

Swedish travel to the United States was up significantly in the summer of 1967, and this growing Swedish travel to the United States should stimulate additional interest in American products.

The decision of the Government to expand hospital construction in the immediate future, and to embark on a new housing program can be of significance for all American products related to those sectors.

The rising level of incomes in Sweden, combined with a reduction in working hours, has resulted in a strong increase in spending for leisure items, such as for sport goods, photographic articles, television sets, record players and tape recorders, boats, and summer houses.

In addition, the following types of American products seem to have good promise in Sweden: machine tools for metalworking; professional, scientific, medical and industrial instruments; electronic components; business machines, including electronic computers and associated data processing equipment; hand tools, including pneumatic and other power hand tools; basic chemicals, including industrial chemicals; plastic raw materials; perfumes, toiletries, and washing compounds; textiles, textile fibers, and wearing apparel; automotive repair and maintenance equipment; pulp and paper industry machinery, equipment, instruments, and ancillary products; materials handling equipment; mining and earth moving machinery; shipyard and boat building machinery; naval navigation instruments; boat equipment and accessories; packaged and to a still small but rapidly increasing degree, frozen foods; institutional food preparation and serving equipment; and air and water purification equipment. Labor-saving devices in general will be in increasing demand.

In the future volume increases in consumption, however, will be increasingly conditioned by quality. With one of the highest standards of living in the world, Swedes will purchase both larger quantities and higher quality. Reliability, durability, degree of processing, and the element of fashion will become increasingly important.

Nicaraguan government promoting diversification to counteract lag in agriculture due to drought

Industrial output continues to grow much faster than rest of economy; export diversification drive begins to bear fruit

The economy of Nicaragua appears to be growing this year at a rate only a little above the 3.6% rate achieved last year, and at a per capita rate of not over 1 or 2%, according to the latest Economic Trend Report submitted by the U.S. Embassy in Managua.

Drought has not only prevented any significant improvement in production of agricultural products for exports but has resulted in a decline in the production of grains for domestic consumption and increased pressure on the price of foodstuffs.

Credit is being expanded for export diversification but is strictly limited for most other purposes in order to restrain the rise in imports. Many farmers have been unable to pay off loans from the banks and suppliers.

Industrial production appears to be continuing to increase at a faster rate than the growth in gross domestic product, but still constitutes only about 13% of total GDP. Several important new industries will begin production at an early date for export throughout the Central American Common Market, but the trade deficit with the other countries of the CACM this year is continuing to grow, causing Nicaragua to adopt a more aggressive attitude on economic integration matters. Investment is continuing at a high level.

While unemployment has probably increased somewhat, it does not yet appear to have become a serious problem.

The rising price of cotton on the world market and the encouraging prospects for next year's crops have caused considerable optimism in business and government circles. Retail sales have tended to recover in recent months from the relative stagnation of the first half of the year. The general sentiment appears to be that the economic situation will greatly improve when the cotton and coffee exports begin to go forward toward the end of the year.

Exports this year are running at a rate only slightly above 1966, which was a relatively poor year for exports. Cotton, coffee, and sugar account for over 70% of exports, and these crops have all been adversely affected by drought. Cotton production this year amounted to 504,000 bales, only a little better than the 484,000 bales produced last year and considerably less than the record production of 543,000 bales in 1964-65. A decline in coffee receipts from coffee exports has resulted primarily from a drop in prices. Sugar production has recovered from the disaster of 1966, and Nicaragua will at least be able to fill its basic quota in the U.S. market this year.

As another favorable development, the price of cotton has risen sharply and the International Coffee Council has recommended an increase in Nicaragua's basic export quota by 75,000 bags for a total of 471,242 bags (60 kilograms each). The quota will be nearly in line with what Nicaragua is already producing for export.

The export diversification program, stimulated by the strides made in the improvement of Nicaragua's financial institutional structure in recent years, is beginning to bear fruit; the generally upward trend of exports of beef, shrimp, bananas, and various industrial products is compensating to some extent for the fluctuations in cotton, coffee, and sugar exports.

Surpluses turn to deficits

During the first half of this decade Nicaragua had yearly balance-of-payments surpluses, but a sharp rise in the deficit on current account in 1966, only partially compensated by capital inflow, caused a balance of payments deficit for that year of US$12 million.

There has been a tendency for imports to rise faster than exports since 1963, when the cordoba was made completely convertible, and this tendency has accelerated as a result of the progressive removal of prior deposit requirements against imports. (In 1965 they were removed altogether.) Imports have also

tended to rise rapidly because of the increased needs of industry for raw materials and semi-manufactured items, the capital requirements for investment programs, and the increased purchasing power of consumers resulting from rising wages and relatively full employment.

There are indications that the rapid rise in imports of recent years has slowed down in 1967. The credit policy of the monetary authorities has been partially responsible for the moderate rise in imports this year, but the effect on purchasing power of two bad crop years is probably the principal reason.

Net international reserves reached a seasonal peak of US$41.7 million in March of this year and then declined to US$19.4 million in June. A further decline is anticipated until December, when the major exports go forward.

Gross international reserves stood at US$46.5 million at the end of June, down US$18.5 million from the peak in March.

Nicaraguan monetary authorities have continued this year to follow a selective credit policy, designed to:

- restrain a rise in commercial bank credit for imports of consumer goods, and
- provide increasing credit for programs to diversify exports and stimulate increased national production of foodstuffs.

The short-term financing requirements for principal commodity exports, i.e., cotton, coffee, and beef, must be met from foreign banks. This has led to a large increase in short-term obligations to foreign banks, which increased from US$5.5 million in 1964 to US$24.8 million in 1965, the first year of the program, and to US$40.1 million in 1966, when the program was extended from cotton to include coffee and cattle fattening as well.

The use of short-term financing from abroad for principal export commodities released domestic resources for other products. Last year the Central Bank set up a Production Development Fund to finance diversification programs, obtaining its funds from the sale of bonds paying 8% interest to the private commercial banks. Loans from the Production Development Fund are channeled through the National Bank and the National Development Institute. As a result of these credit policies, commercial bank credit increased by 22% during the first half of 1967 compared to the first half of 1966.

The money supply declined by approximately 1% during the year ending June 30, the first decline for this period in many years. Demand deposits in the commercial banks decreased in this period from 351.7 million cordobas to 335.3 million cordobas. Savings deposits, on the other hand, continued the upward trend of recent years, rising from 176 million cordobas to 204 million cordobas.

This is particularly in response to an increase from 4 to 6% interest last year on savings and time deposits. The maximum interest rates commercial banks charge for ordinary commercial loans is 8%, but they are permitted to charge 2% more than the interest they must pay to foreign banks for loans to finance cotton, coffee, and cattle fattening.

Since most of the short-term financing of major export commodities is obtained from U.S. banks, interest rates for this type of financing have tended upward, although there has been some decline in recent months. The Central Bank has done no rediscounting, and virtually all of its loans have been made from its Production Development Fund.

Government deposits down

The rapid increase in revenue collections from 1961-65 permitted the Government to achieve surpluses in its budgets during several fiscal years and enable it to build up its deposits in the Central Bank.

A deficit was registered last year, however, and Government deposits were drawn down in the amount of 21 million cordobas. A deficit was also projected for the 1967 budget.

The government budget next year will reportedly be at the same level as for 1967 and will reflect more realistic estimates of the public investments which can actually be carried out. In recent years budgetary expenditure targets have not been met, particularly in highway construction.

The Administration of President Anastasio Somoza, which took office on May 1, inherited an economy which was suffering the impact of two years of drought. While stepping up its efforts to increase revenue collections, the Administration has declared a policy of austerity in government expenditures and its intention to allocate a higher proportion of expenditures for investment.

Considerable emphasis is being placed on agricultural development in order to bring the subsistence agricultural sector more fully into the economy. Under the agrarian reform program, the Government has speeded up the granting of titles to farmers settled on government land.

During August and September, the new Administration was forced to conduct military operations against a guerrilla band which was organizing in the north-central part of the country. It is not believed, however, that this activity was on a wide enough scale to have had any significant effect on the economy, although it is possible that some migrant workers may be deterred from visiting the area to harvest coffee.

As a result of the long history of friendship between the United States and Nicaragua, their joint commitments under the Alliance for Progress, and the close ties between them, the United States has a strong interest in the success of the Nicaraguan economy.

Although many problems remain to be resolved, the Central American Common Market was essentially in operation by

EXTENSIVE PUBLIC INVESTMENTS are planned in new roads, ports and irrigation projects. They should provide opportunities for U.S. consulting engineers and construction firms, as well as exports of more U.S. equipment such as this bulldozer clearing the way for a new road. (World Bank Photo)

NICARAGUAN CONSUMERS can select from a wider variety of items being supplied by modern supermarkets such as this one at a shopping center in the Managua area.

June 1966. There are no duties on most of the items traded between the CACM countries, and a common external tariff applies to most of the items imported from outside the CACM.

The formation of the Common Market has led to a rapid rise in industrialization in the area and sharp increase in trade between the countries, most of it in industrial products formerly imported from outside the area. Imports from other CACM countries into Nicaragua increased from US$2.9 million in 1961 to US$39.7 million in 1966, and from 3.9% of imports to 21.8%.

Although the U.S. share of the market gradually declined during this period from 49% to 46%, the total value of imports from the United States more than doubled. The United States continues to be the principal supplier of such items as automobiles, trucks, buses, agricultural equipment, machinery, air-conditioning and refrigeration equipment, fertilizers, insecticides, pharmaceuticals, hardware, pure bred cattle, wheat, and rice.

Imports should rise

The trend on most of these imports should continue upward. However, local industries in Nicaragua and elsewhere in the CACM are providing substitutes for imports, particularly in fields such as fertilizers, insecticides, and pharmaceuticals. In some of these industries the raw materials or manufactured components must be imported because the local industries are essentially mixing operations.

Nicaragua has enjoyed a good investment climate for many years, and this has led to a substantial amount of direct investment in recent years, particularly in joint manufacturing ventures.

President Somoza, during his appearance on the radio-television program "Meet the Press" on a pre-inauguration visit to the United States in March, said that the best opportunities for investment were in farming, cattle, light industry and in particular in those industries based upon Nicaraguan natural resources and production of products for sale in the Central American Common Market.

Although industrial production has grown at an average annual rate of around 9% yearly, Nicaragua is not satisfied with this rate of growth because it is below that of most of the other CACM countries with whom Nicaragua has had an increasing trade deficit.

The CACM countries have negotiated an equal fiscal incentives agreement (still not in effect because it has not been ratified by all countries) to avoid competition in granting incentives for new industry, but Nicaragua has applied for preferential status within the CACM in order that it might be permitted to grant more generous incentives to investors and thus stimulate industrialization and narrow its trade gap with the other CACM countries. A final decision will be based upon an Economic Commission for Latin America report which is nearing completion.

The Nicaraguan Government is following a policy of encouraging the development of natural resources. Although no petroleum is now being produced, foreign firms have begun exploration during the past last two years off both the Atlantic and Pacific coasts of Nicaragua. New forestry legislation, providing for the rational exploitation of the country's vast forest resources, has been enacted recently, and concessions are being granted under the legislation.

Following completion late last year of a geological survey of the country's mineral resources, the Ministry of Economy is again considering applications for minerals concessions. Gold, silver, and copper are already being mined in substantial amounts, and deposits of lead and zinc are also reportedly present in sufficient quantity for commercial exploitation.

A survey of marine resources is being made with the assistance of the Food and Agriculture Organization and could lead to additional investment in fishing.

Nicaragua will need to make extensive public investments in the years ahead if it is to experience continuing high rates of growth. Plans call for investments in roads, ports, electric power, communications, irrigation and in grain storage facilities. Some of these projects will provide opportunities for American consulting engineers, construction firms, and exporters.

Major emphasis

Several Nicaraguan firms have developed capabilities in the field of road construction in recent years, and contracts are increasingly being awarded to these firms. The major emphasis in the next few years will be on the construction of penetration roads in the Boaco-Chontales-Matagalpa area under a US $12 million loan from the Inter-American Development Bank. Parts of this network are already under construction by Nicaraguan contractors. The Rama Road, connecting the Inter-American Highway to the river port of Rama with access to the Atlantic coast, has been completed but is not yet paved all the way. However, a loan has been obtained from the Central American Bank for Economic Integration for paving a section of this road.

Studies are underway by a British-French consortium for the establishment of a port on the Atlantic side of Nicaragua to profit from the completion of the Rama Road and for the expansion of the port of Corinto on the Pacific side. When these reports are completed and financing arranged, possibly from the World Bank, bids will be requested for their construction.

Inflation continues to plague South Africa; pessimism spreads despite strong continued growth

Anti-inflationary measures have still not curbed rising prices; major effort required to hold U.S. share of import market

The rate of growth of South Africa's real gross national product will be roughly 5% in 1967. Although well below the 1962-66 average of 6.5% this represents rapid growth in a period of full employment.

In 1968, the economy should grow at a slower pace because: agricultural production is expected to decline in 1968; the shortage of skilled labor is being worsened by reduced immigration and government labor policies restricting the training of non-whites for skilled positions; further improvements in productivity cannot be anticipated since private fixed investment is declining, less productive workers are being incorporated into the labor force and more overtime is being worked; and anti-inflationary measures should be more successful in dampening the economy.

Nevertheless, the target of an average growth rate of 5.5% per year for the period 1964-69, which was set in South Africa's first economic development program, should be fulfilled.

Inflation battle still in doubt

South Africa's recent growth has not been accompanied by stability. Inflation has plagued the country since mid-1964 and prices continue to increase at a rate over 3% a year. The factors producing this inflationary process are complex, including at various times: 1) 'demand-pull' elements such as overexpansion of the money supply, excessive government spending, overstocking and rapidly increasing consumption expenditure, 2) 'cost-push' factors like tight labor markets and drought, 3) administrative pricing by businesses and agricultural marketing boards, and 4) problems created by balance of payments fluctuations.

Anti-inflationary policy is the major economic preoccupation of the South African Government, which is attempting to combat rising prices by a combination of monetary policy, fiscal policy, import liberalization and a few direct controls.

Until recently, only isolated sectors felt the full bite of these measures, but now monetary controls are affecting a representative cross-section of the economy and consumers seem to be backing off from the euphoria which characterized buying habits in earlier months.

On the other hand, it seems clear that the mix of anti-inflationary policy is still not correct, that inflation continues despite the fact that monetary and import policies are doing as much as can be expected of them, and that conquest of inflation will require greater use of the fiscal policy weapon.

Although additional monetary controls may be imposed and general price control cannot be ruled out, the course of inflation in the coming months should be determined principally by the success of unions and other employee organizations in important collective bargaining sessions, and trends in current and capital expenditures by the government, as reflected particularly in the budget message of the Minister of Finance for fiscal year 1969 to be presented early next year.

The Government, which is a major employer, will hold the line on wage increases and pressure private employers to do the same.

Although a number of development projects have been postponed, the outlook for Government spending is more cloudy and it is doubtful whether cuts in overall Government expenditure will be politically feasible in view of current programs in areas such as general defense, strategic stockpiling, oil exploration and border industry development.

Money to remain tight

From all indications, however, the Government will continue to finance shortfalls between receipts and expenditures in a non-inflationary manner as much as possible.

As long as inflation remains a problem, present monetary controls will be continued, if not stiffened, and the supply of money and near money will expand at a slower rate than the gross national product.

Under these circumstances, the demand for loanable funds should continue to exceed the supply, which means that interest rates may increase from their present high level even without an increase in the bank rate, which has traditionally governed other interest rates in South Africa.

Businessmen generally pessimistic

Although production indexes continue to show an upward trend, business expectations are generally pessimistic.

A recent business opinion survey by the University of Stellenbosch reveals that:

- only 1% of the respondents regard prospects as better than a year ago,
- 16% of the respondents anticipate increased production in the fourth quarter while 10% expect increased sales, and
- most businesses are experiencing shrinking orders and believe inventories to be too high.

Christmas buying and spillover effects from record agricultural receipts may, however, reverse the prevailing pessimistic mood. With regard to individual industries, the outlook still seems bright for chemicals, clothing and footwear, beverages and tobacco, and agricultural machinery, with metal-working industries and capital goods industries in general facing the greatest problems.

Balance of payments insecure

Merchandise imports for 1967 should come to slightly more that $2.8 billion. This record total is the result of increasing income in South Africa, increasing competitiveness of imported goods in relation to domestic goods because of inflation, and a policy, instituted by the government late in 1966, of freer imports and encouragement of raw material stockpiling by industry.

Imports measured on a monthly basis actually reached a peak last December, then leveled off as credit restrictions increasingly took effect and private investment, which is highly correlated with ports in South Africa, declined. It does not appear, therefore, that 1968 imports will be markedly above the 1967 level.

Merchandise exports should reach a level of around $1.82 billion in 1967, continuing a moderate upward trend which should persist through 1968. Export expansion is taking place principally in the field of manufactures and machinery, particularly in the iron and steel, pulp and paper and transport equipment areas.

South Africa's traditional raw material exports are remaining approximately con-

stant. Gold exports are gently declining, however, as increasing costs make it profitable for some mines to produce more gold. Barring the unlikely event of a rise in the price of gold, it appears that the downward movement in gold production will go on indefinitely.

The South African Government is, therefore, attempting to open new export markets for other minerals such as copper, platinum, zinc, manganese, iron, uranium, asbestos and chrome and increasing the amount of South African processing of these base minerals to earn more foreign exchange.

After reaching a peak in mid-1966, South Africa's total holdings of gold and foreign exchange fell until the third quarter of 1967 when they leveled off because large inflows of short-term capital began to finance the country's balance of payments deficit. If this critical inflow of short-term capital were diminished, a deterioration of the gold and exchange position could result which would necessitate the tightening of import controls.

U.S. share of market

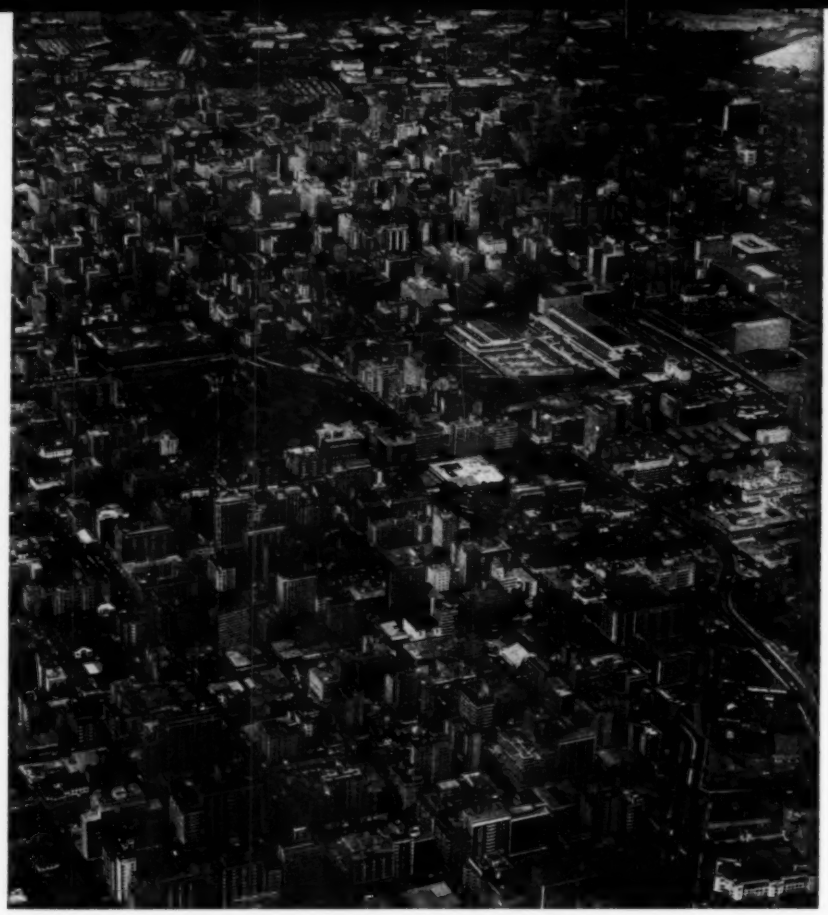
The shares of the market obtained by South Africa's major trading partners, including the United States, have remained relatively constant in recent years. At present, however, South Africa is solidifying its relations with Britain, France and Japan, as well as developing increasingly close economic ties with a number of other Southern African nations. As a result, the U.S. share of the market could decline unless U.S. exporters increase their efforts.

Since South Africa is now driving toward self-sufficiency in a number of important industries including chemicals, electronics and capital goods of all kinds, U.S. export expansion efforts should increasingly be devoted toward exports based on advanced technology in which we have a large comparative advantage. Individual product lines offering the best opportunities for U.S. exporters include synthetic fibers, tools, accounting machinery, packaging and folding machinery, household appliances, and electrical measuring and control equipment.

U.S. runs healthy surplus

Since South African exports to the United States are presently declining, the United States can expect to maintain its favorable balance of trade with South Africa for the foreseeable future. In 1967, our trade surplus with South Africa should be in the neighborhood of $322 million.

Making the reasonable assumptions of net service and transfer payments to the United States of $84 million and a net inflow of U.S. long-term capital of $24 million, the U.S. should enjoy a balance of payments surplus of around $382 million with South Africa for all of 1967. A surplus of the same magnitude can be anticipated in 1968 since there is no reason to predict large changes in any of the items discussed above.



COMMERCIAL AND FINANCIAL HEART of South Africa is Johannesburg. Government measures have not yet managed to end inflationary trend which is the nation's top economic problem.

At the end of 1966, U.S. direct investment in South Africa amounted to approximately $600 million. During 1966, U.S. subsidiaries in South Africa earned profits of $123 million, of which $70 million was repatriated to the United States. This represents a 20% return on investment as compared with a world-wide average of 10%.

Since the South African Government encourages foreign investment and does not curtail profit remittances, the high rate of return will undoubtedly continue to attract U.S. capital.

The outflow of U.S. capital to South Africa may be diminished, however, by a deterioration in some other aspects of the investment climate. Unfavorable factors include:

- ► increasing costs because of inflation and tight labor markets,
- ► greater difficulty in local financing of plant expansion or working capital needs because of tight capital markets,
- ► heavy expense in what local financing can be done because of high interest rates,
- ► increased taxes which may get higher if fiscal policy is utilized to a greater extent to fight inflation,
- ► the prospect of dampened local demand if the Government's campaign against inflation succeeds, and
- ► the possibility under present South African legislation of being forced to locate in border areas where cheap labor is available but where other plant location factors may be unfavorable.

Politics confuse outlook

In addition, political factors, both domestic and international, inject elements of uncertainty into the investment climate. In particular, it is difficult to predict the course of world reaction to South Africa's policy of apartheid and its attitude toward the administration of South West Africa. The outlook for at least the near future, however, is one of continued economic stability.

Ivory Coast economy sound despite dip in growth rate; diversification drive brings investment openings

Heavy investment in new agricultural products is already yielding spectacular growth; industrial expansion continues

The Ivory Coast's economic prosperity is expected to continue, though perhaps at a slightly lower growth rate than during the first half of the 1960's. Heavy public investment will coincide with a period of slower trade growth until the early 1970's, according to a telegraphic summary of the latest Economic Trends Report submitted by the U.S. Embassy in Abidjan.

The financial situation remains sound, characterized by continuing trade and payments surpluses and a modest public debt.

Income from a bumper coffee crop expected for 1967-68 will stimulate consumer demand and has brightened business prospects.

Because of the economy's over-dependence on coffee and cocoa, however, high priority continues to be given to agricultural diversification. Heavy investment in oil palm plantations will begin paying off at the end of the decade. Spectacular results have already been shown in rice and cotton production.

While development of the interior is getting heavy emphasis, Abidjan remains the boom town. Industrial expansion proceeds apace.

Foreign investment is still actively sought, though governmental approval of new investment may henceforth be more selective, and privileged tax status be conferred less generously.

Launching of a nationwide Buy Ivorian campaign is a measure of how far the economy has come in its diversification and of how confident local businessmen are in the market's potential.

No dark clouds are apparent on the Ivorian economic horizon, and with new agriculture beginning to pay off in the seventies prospects look equally good over the longer term.

Politically and economically Ivory Coast is a bright spot in Africa. It is a good friend of the U.S. The Government, aware of our concern at continuing to run a heavy trade deficit with Ivory Coast, shows interest in helping stimulate imports from the U.S., but has yet to deliver on promised tariff reductions.

French-oriented trade and preferential treatment for the EEC are barriers to expanded U.S. sales, but for some items we are nonetheless already competitive.

In the immediate future the new coffee crop should stimulate an increased volume of imports for which the U.S. can compete. However, several other countries have also evidenced interest in capturing part of the Ivorian market.

More American firms are prospecting Abidjan as a possible site for regional headquarters, and there is a noticeable increase in interest by American private investment.

The extent to which American capital might heed the Government's clear call for more foreign investment may be importantly influenced by Union Carbide's effort to break into the market by constructing a battery plant here.

Preferences restrict U.S. export record in prospering Gabon

However, demand for specialized machinery, equipment may grow

Gabon's economy is moving ahead at a steady rate marked by increasing diversification. However, the production and export of three primary commodities—crude petroleum, manganese ore, and forestry products—remain the backbone of the economy according to a telegraphic summary of the latest Economic Trends Report submitted by the U.S. Embassy in Libreville.

Despite Gabon's expanding economy and increasing imports, the market for U.S. products is suffering from restrictive preferential trade practices and from French and West German competition. American investment, however, is being courted by the Government.

Gabonese foreign trade leveled off somewhat in 1966, after five straight years of rapid growth. However, with large increases in exports of crude petroleum currently underway, Gabon's export total should reach a new high in 1967. Imports are expanding less rapidly, but should also reach record levels this year.

Gabon continues to have a highly favorable balance of trade, but its balance of payments remains barely favorable.

The nation's first Five-Year Plan is entering its second year with tangible results already visible, and the Government appears confident that the country will maintain its steady 7.5% annual economic growth rate. Basic economic facilities are being built on schedule and efforts are underway to further diversify the economy by creating varied local industries to lessen Gabon's heavy dependence on imports of food and consumer goods.

Potential economic unit

The Central African Customs and Economic Union (UDEAC), of which Gabon is a member, could become an economic unit with coordinated development among member states, a common set of tariffs on foreign imports, and an attractive market to foreign exporters and investors.

However, UDEAC imposes discriminatory tariffs on imports from all developed countries except members of the European Economic Community.

Gabon is expected to remain politically stable and economically vigorous, and should maintain its pro-Western orientation.

U.S. imports from Gabon will probably continue at present levels or decline slightly next year.

Demand for most U.S. goods will decline or at best remain static unless trade restrictions are modified. However, demand for specialized equipment and machinery could grow as the economy moves ahead. The U.S. trade deficit with Gabon should continue at approximately the same level.

The Government will continue to encourage U.S. and other private investment in all sectors of the Gabonese economy. In this regard, a liberal new investment code went into effect last March.

U.S. investment will probably continue to be concentrated in the extractive industries.

Indonesia liberalizes foreign investment law; grants further exemptions from import duties

U.S. private investment covered under bilateral investment guaranty agreement; procedures simplified

The Indonesian Government has liberalized and made more specific the exemptions granted foreign investors under its new foreign investment law.

Article 15 of the investment law, passed on Jan. 10, provides for exemption from import duties for imports of fixed equipment, such as machinery, tools, or instruments, needed for a new foreign investment in Indonesia. A Ministry of Finance Decision of Aug. 3, made retroactive to Jan. 10, provides a two-year exemption from custom duties for imports of raw materials, semi-finished goods, and finished goods which will be processed by the enterprise. The period of exemption may be extended if necessary. Exemption is also granted for transportation equipment necessary for the transport of goods by the company.

The Decision restates the previously reported exemption for personal effects of foreign employees (see INTERNATIONAL COMMERCE, May 15, p. 24) as well as the exemption for consumption goods up to a maximum of $50 per person per month and $100 per family. The new Decision specifies that personal effects must be used.

Foreign investors may also apply to the Ministry of Finance to request exemptions from import duties for: (1) office supplies and equipment for new offices established in connection with the formation of a company, as well as motor vehicles other than sedans for the transport of employees; and (2) construction and other materials for the erection of factory buildings, offices, employee housing, school buildings, hospitals, and places of worship needed by the company.

Investment procedures simplified

Investment approval procedures for U.S. investors seeking coverage under the bilateral investment guaranty agreement between Indonesia and the U.S. have also been simplified. Previously investors had to write to the Indonesian Department of Foreign Affairs to request approval of the project. This approval constituted the "foreign government approval" required by the U.S. Agency for International Development for purposes of the investment guaranty agreement.

By informal agreement among the Indonesian officials concerned, U.S. investors may now request approval from the Chairman of the Foreign Investment Technical Committee (currently Professor Dr. Mohamad Sadli), Djalan Veteran 18, Djakarta, who will notify the American Embassy of the action taken. A notification of approval by this Committee will fulfill AID's requirement for foreign government approval under the Investment Guaranty Agreement.

$80 million complex okayed by Venezuela

The Venezuelan cabinet has approved a contract for the construction of an $80 million petrochemical complex, with a proposed eventual investment of $400 million. The Instituto Venezolano de Petroquimica, a Venezuelan government agency, and the Commonwealth Oil Refining Company, a publicly-owned Puerto Rican company, will jointly develop the complex.

The initial stage, scheduled to begin in mid-1968, calls for the construction of a plant at the mouth of Lake Maracaibo to produce ammonia and other nitrogen-based products for export. Plans allow for the eventual establishment of projects in Puerto Rico and possibly elsewhere in Latin America for the further processing of petrochemicals produced in Venezuela.

OECD Council approves code for private investors

The Council of the Organization for Economic Cooperation and Development (OECD) has approved a code of fair treatment for private investors, in the form of a draft International Convention.

The Convention was originally intended to enact, as substantive international law, certain rules and principles to govern the treatment of foreign investment. Unanimous approval for the Convention among OECD's 21 member countries could not be secured, however, so that only limited approval was given by the Council.

The Council's action on Oct. 12 affirmed the principles of international law embodied in the draft, commended the draft as a means of applying those principles and approved its publication.

The Convention will be transmitted to the International Bank for Reconstruction and Development to serve as a basis for further work in this field and with a view to eliciting the interest of less developed countries in the principles expressed in the draft.

Uruguayan decree doubles customs valuations tariff

The Government of Uruguay has doubled the Official Customs Valuations (Aforos) for imports in the General Tariff of Customs Valuations of Importation and in Raw Materials Schedule. Raw materials whose valuations have been increased since Oct. 18, 1965 were not included in the new increase.

The new increase, declared Sept. 19, is designed to keep the valuations more in line with world prices, but it is not considered to be sufficient to represent real market values of the goods.

Libya sets new regulations on certificates of origin

The Certificate of Origin required by the Government of Libya to accompany all imported goods has been amended to include thereon the name of the factory or company which produced the goods.

The new requirement is in addition to the normal country of origin certification which includes endorsement by a Chamber of Commerce and where available an Arab country consulate.

Tanzania receives World Bank financing for new electric power installations

Expansion plans call for generating facilities in Dar es Salaam, Mwanza on Lake Victoria and other plants throughout the country

A World Bank loan equivalent to $5.2 million will finance the foreign exchange costs of new installations to meet Tanzania's power requirements until early 1971.

The project being assisted by the Bank loan is part of a six-year expansion program undertaken by the Tanganyika Electric Supply Co., Ltd. (TANESCO), a government-owned company which supplies and distributes electric power on Tanzania's mainland.

TANESCO will install about 18 megawatts of generating plant and auxiliaries in three or four units at the Ubungo power station now under construction on the western outskirts of Dar es Salaam. Installations in Mwanza on Lake Victoria will consist of two additional units of generating plant of about 1.5 megawatts each in a new power station containing three units of the same size which is now under construction. Both the Dar es Salaam and the Mwanza installations are designed to run on residual oil from the refinery in Dar es Salaam.

Generators to be installed

Minor generating facilities will also be installed at various isolated plants throughout the country. The extensions to the transmission system will consist mainly of a number of 33-kilovolt feeder lines in the coastal areas to enable the existing systems to carry additional loads. The extension of the distribution systems will comprise a multitude of minor works to connect new consumers in all areas and to reinforce existing systems.

Power demand in Tanzania has been growing at an average rate of 9% annually in the last 16 years. Growth in recent years has been largely concentrated in the Dar es Salaam area and has been more rapid than in the past, with total sales increasing from 18% in 1955 to 33.5% in 1966. The increase is attributed to the fact that Dar es Salaam is the principal port, railhead and center of the largest market in the country and the site of several new industries.

The Bank loan will be for a term of 20 years, and will be guaranteed by the Tanzanian Government. Under the terms of the Bank loan, awards for contracts are generally based on worldwide competitive bidding.

IDB loan helps finance Chilean ethylene plant

The Inter-American Development Bank has announced the approval of a $6.5 million loan to the Empresa Nacional de Petroleo (ENAP), the Chilean public petroleum agency, to help build an ethylene and liquified petroleum gas plant at Concepcion in Chile.

Proceeds of the loan will be used to finance the costs of designing, engineering and construction, and the purchase of such equipment as heaters and heat exchangers, towers, pressure vessels, pumps and compressors.

The plant will enable Chile to increase its exports of liquified petroleum gas, since its output of this product, which will supply the nation's central zone, will free for export the production of liquified gas of ENAP's refinery in Punta Arenas which is now marketed in that region.

Peruvian decree modifies certificate exchange system

The Peruvian Government has modified the recently reinstated certificate exchange system (see INTERNATIONAL COMMERCE, Oct. 30, p. 30).

Exporters are now required by Supreme Decree 263-H of Oct. 30 to present original export documents to the Central Bank for verification in order to obtain certificate exchange. Formerly, documents only had to be presented to an exporter's commercial bank.

The Decree also requires commercial banks to keep balanced positions in both certificate and draft (free) exchange.

Kenya, Uganda eliminate import restrictions on many of each other's products

Press reports in Uganda indicate that the Governments of Kenya and Uganda agreed to a Nov. 1 deadline for the elimination of import restrictions applicable to a wide range of local manufactures traded between those two countries.

Although import licenses will still be required for statistical purposes, existing restrictions on inter territorial sales of soap, matches, confectionery, cottonseed oil, cycle tires and tubes, biscuits, shirts, blankets, footwear, paper and paper products, jute and sisal products, vegetable ghee, and radios are to be lifted.

The agreement, which reserves Kenyan imports of textiles and soap to the Kenyan National Trading Corp. and names the Uganda National Trading Corp. sole importer of vegetable ghee, provides that all other imports may be arranged through private firms.

Negotiations in progress between the Governments of Tanzania and Uganda are expected to produce a similar accord in advance of the Dec. 1 deadline for the removal of all interterritorial restrictions specified in the recent Treaty for East African Cooperation. The Treaty, which formalizes existing common market arrangements, was described in greater detail in an INTERNATIONAL COMMERCE article of July 24.

India postpones proposed nationalization of general (non-life) insurance industry

India's governing Congress Party has adopted a resolution proposing the takeover of the general (non-life) insurance field from private firms.

The Indian insurance industry has replied with a strong campaign featuring pamphlets and newspaper advertising protesting against the nationalization of the industry.

It is now reported that the Indian Government has postponed action on the proposal at least until the winter session of Parliament when an alternative plan giving the government wider and stricter regulatory control over general insurance companies will be presented. This would help make their funds available for social objectives.

Unless noted otherwise, each opportunity listed in this section is identified by a project number. Firms interested in following up a proposal can obtain the name and address of the foreign firm along with any additional information which may be available by writing: Office of International Investment, BIC-876, U.S. Department of Commerce, Washington, D.C. 20230. Requests should be under company letterhead and must identify the particular opportunity by its project number.

The designation WTD following the project number indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Bureau of International Commerce, BIC-916, U.S. Department of Commerce, Washington, D.C. 20230.

Special assistance is available to firms interested in joint venture or licensing arrangements abroad. Call Area Code 202, WO. 7-3786 or write: Office of International Investment, BIC-878, U.S. Department of Commerce, Washington, D.C. 20230.

Indian manufacturer of electric motors wants to diversify

Requires technical assistance, license for proposed program

An Indian firm which makes electric motors ranging from ¼ h.p. to 30 h.p. is interested in negotiating a licensing and technical know-how arrangement with a U.S. firm to diversify and expand its production.

The firm would like to make flameproof, two speed, slip ring and universal motors in addition to its current production. A license to utilize patents and designs, as well as the benefits of research done by the U.S. licensor is requested. The Indian firm would also like unspecified assistance in importing certain equipment required for its proposed diversification and expansion program.

The Indian firm has headquarters in Bombay, a plant at Shah Industrial Estate which is an industrial suburb of Bombay, and a branch at Bulsar, Gujarat. The management of the Indian firm is reported to have close family ties with a number of other firms in widely diversified industries.

Current annual productive capacity of the Indian company is around 3,000 motors on a one-shift basis. Production is confined to ¼ f.h.p. to 2 h.p., single phase, 220/230 volts, 50 cycle motors and ¼ f.h.p. to 30 h.p., three phase, 400/440 volts, 50-cycle motors in various speeds. Actual production in 1964 was 1,607, in 1965 it was 1,656 and in 1966 it rose to 2,421. Production was all marketed in India.

Most raw materials required by the electric motor industry are available in India, but dynamo grade steel sheets, insulating materials, special size ball and roller bearings, slip rings, assemblies, bushings and commutators are imported.

Planning calls for expansion of productive capacity from 3,000 to 6,000 motors annually upon acquisition of licensing rights permitting a more diversified product line. Marketing of this increased production would be to agricultural and industrial end users in India. Project 7996. WTD.

Australian firm seeks license to manufacture auto safety equipment

An Australian company, currently making plastic trim components for the Australian and New Zealand automobile industry, is seeking a licensing agreement with a U.S. company for the manufacture of patented or exclusive plastic based products used by automobile manufacturers. It is particularly interested in recent development of safety features to be used in the interiors of automotive vehicles.

The Australian company is at present engaged in the extrusion of vinyls, polyethylenes and polypropylene, fabrication of trim components, lamination and coating of PVC and textiles, and perforation of plastic materials. It also manufactures a range of bindings, tapes and strappings for the automotive and shoe trades.

It is intended, following contact by mail, that one of the Directors of the company visit the United States to conclude details of the agreement. Project 7993. WTD.

Fiji releases guide for foreign investors

Government offers grants for hotel construction

Firms contemplating overseas investment are invited to give consideration to Fiji as a sound location in which to locate according to *Investment in Fiji*, a fact packed 26-page, illustrated booklet just released by the Government of Fiji. The booklet was published to emphasize the point that Fiji welcomes foreign investment and to bring together in one place basic information about the islands needed by potential investors.

The tourist industry is cited in the booklet as Fiji's fastest growing industry. Although several new hotels have been built, sufficient accommodations are not provided at the peak season for the ever increasing number of tourists who flock to the islands from Australia, New Zealand, the United States and Europe. To expand the number of hotels, the Government of Fiji is giving grants toward the cost of construction of new hotels and extension of existing ones.

Pointing out that Fiji comprises more than 500 islands, of which over 100 are inhabited, and that Suva, the capital, is about 3,000 miles from Honolulu, the booklet then succinctly but informatively discusses public finance, trade, land leasing, taxation, labor, utilities, and air and ship services. It concludes with two pages of tables showing Fiji's 1966 and 1965 exports and imports. These tables disclose destination of exports and source of imports.

Firms interested in obtaining a copy of *Investment in Fiji* or obtaining information concerning the establishment of particular industries in Fiji should **Write:** Secretary for Commerce, Industry and Tourism, Box 2018, Suva, Fiji Islands.

License accord in Japan

Templet Industries of Plainview, N.Y., has licensed Fuji-Denko Corp., to use the Templet process for blanking metals in the Japanese firm's several electrical equipment plants. Templet now has license agreements with more than 200 companies and service and training subsidiaries on all continents.

U.S. rights to wide range of items sought by seven British producers

Want arrangements to manufacture pumps, motors, valves, metals, construction equipment, woodworking machinery

Seven British firms are seeking U.S. licenses to manufacture a wide range of products.

• A firm of mechanical and production engineers seeks a licensing agreement to manufacture a wide range of products. These include turbo chargers for buses and trucks, oil pumps for tractors and trucks, automobile water pumps, air motors, diesel fuel injection equipment, hydraulic valves, industrial gear box assemblies, railway resistor boxes and switches, automobile steering and suspension arm assemblies, transmission coupling assemblies for automobiles and tractors, diesel valve covers and guides, automobile gears and sprockets.

The British concern says that its production facilities are supported by process and methods engineers, inspectors and design production progress personnel. In addition, the firm operates the usual administration, sales, export, accounting and estimating departments. Sales are made directly to industrial concerns in the U.K. and Europe.

Established in 1930, the firm has about 300 employees and is a subsidiary of a British holding company, whose members are engaged in the production of diesel injection equipment and distribution of electrical equipment for vehicles and marine industrial engines. Project 7998. WTD.

• With over 20 years experience in machining and fabricating stainless steels, titanium and similar specialty metals for the aircraft and aerospace industries, the precision engineering division of a Yorkshire firm seeks a license to make and distribute related products in the U.K.

Founded in 1844, the British company operates three other main divisions. The precision products section specializes in the manufacture of tanks and heat exchangers for the chemical industry; a stainless steel products unit makes high grade tableware, while the renewal of worn parts by metal build-up and the application of protective coatings to prevent corrosion are the principal functions of the metal spraying division.

The Yorkshire concern has approximately 600 employees and distributes its products on both the domestic and export market. Project 7995. WTD.

• A manufacturer and distributor of cement mixers and other construction equipment seeks a licensing agreement with a U.S. firm. The British company is interested in producing medium sized construction equipment with special application for the ready mixed concrete field.

The firm is not interested in the manufacture of high priced equipment but would prefer to make small machinery, which would sell for under $1,200 and involve the annual production of at least 100 units.

Established in 1960, the English firm has about 15 employees. It has business associates in Scotland and the Netherlands.

An executive of the British concern plans to visit the United States in January to discuss licensing arrangements with U.S. firms responding to this announcement. Project 7994. WTD.

• Located in Cheshire, a firm of general engineers with manufacturing facilities for medium sized machinery would like to negotiate a licensing arrangement with a U.S. firm to manufacture woodworking machinery on a production line basis in the United Kingdom.

The British firm prefers a royalty basis arrangement with the U.S. licensor handling sales. Founded in 1958, the Cheshire company has 90 employees. Project 7992. WTD.

• A Worcestershire firm which designs and makes electrical and electronic control gear would like to expand its production range by negotiating a licensing arrangement with a U.S. firm to make or distribute control gear panels of the mosaic type in the United Kingdom. According to the British concern the panels it would like to manufacture or distribute ". . . consist of a framework to which are added tiles that normally clip into place. These tiles are mass produced to carry particular symbols or lines, or to take small switches or indicating lamps to build up a mimic diagram."

The British firm is a member of a group whose parent company has 54 subsidiaries manufacturing such diverse items as railroad, marine, aircraft, and electronic equipment, and beverage machinery. Project 7991. WTD.

• A license to manufacture and distribute mastics and sealing compounds in the U.K. is sought by a Yorkshire producer of putty, mastics, paints, varnishes and enamels.

The British firm was established in 1862 and employs about 130. Project 1003. WTD.

• A firm of telecommunications and electronic engineers engaged in the development, manufacture and distribution of such electronic products as telephone answering machines and auxiliary equipment and educational aids seeks a licensing or cross-licensing agreement.

The British firm is interested in the manufacture of electronic, electrical and electro-mechanical equipment. It operates a modern plant, employing approximately 450, with facilities for development and production. The firm's sales organization serves the educational aids and government fields as well as commercial and industrial markets. Project 1002. WTD.

German firm seeks rights on adhesives, sealants

A Munich manufacturer of special adhesives used in joining metals and chemical products by machine builders seeks a licensing agreement with a U.S. firm.

The German company is interested in making newly developed special chemical products for application in the above and related fields, particularly structural adhesives and sealants which would be subjected to high temperatures.

Formerly a division of another German firm, the Munich company became independent in March of this year. Its sales territory covers West Germany and other European countries.

The type of return to be provided a U.S. licensor is open to negotiation. Project 1004. WTD.

World Trade Opportunities pages 38-44

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the Trade Opportunities Staff, BDSA-624, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

011 Field crops

VENEZUELA—Grains, legumes. Distribution for entire country. Requests replies in Spanish. Gonzalez & Cia., "Industrias Flor de Yaracuy" (manufacturer, importer, distributor), Carretera Pan Americana, Las Tapias, San Felipe, Estado Yaracuy. WTD 10/67.

019 Miscellaneous agriculture

FRANCE—Seeds: field, garden, flower. Direct purchase and agency. L. Clause S.A. (manufacturer, wholesaler, retailer, agent), Ave. Lucien Clause, 91 Bretigny-sur-Orge. WTD 8/67.

201 Meat products

FRANCE—Meat offals. J. M. Allum, S.A. (importer, wholesaler), 7-9-11, Quai Desire Delmotte, 62 Boulogne-sur-Mer. WTD 9/67.

SWEDEN—Canned meats. Quote c.i.f. prices. Direct purchase and agency. American Star Produkter (importer, wholesaler, sales agent), Sandstensvagen 94, Handen. WTD 10/67.

203 Canning, preserving foods

FRANCE—Frozen packaged salmon; other sea foods, quick frozen cold pack. J. M. Allum, S.A. (importer, wholesaler), 7-9-11, Quai Desire Delmotte, 62 Boulogne s/ Mer. WTD 9/67.

SWEDEN—Frozen packaged fish, other seafood. C.i.f. prices requested. Direct purchase and agency. American Star Produkter (importer, wholesaler, sales agent), Sandstensvagen 94, Handen. WTD 10/67.

204 Grain mill products

SWEDEN—Dog food. C.i.f. prices requested. Direct purchase and agency. American Star Produkter (importer, wholesaler, sales agent), Sandstensvagen 94, Handen. WTD 10/67.

209 Food preparations

GERMANY—Halibut liver oil with guaranteed vitamin A content, cod liver oil, neat's-foot oil, sperm oil, sweet almond oil. Direct purchase and agency. Bremer Tran- & Oelhandel Henry Lamotte (importer, exporter, wholesaler, processor), 28 Bremen, P.O. Box 1916. WTD 3/67.

Cod-liver oil: crude. Direct purchase and agency. Steuerrad-Tranfabrik Hugo Luchterhand K.G. (importer, exporter, wholesaler, processor), 285 Bremerhaven, Am Seedeich. WTD 3/67.

222 Broad woven fabric mills, manmade fiber, silk

SOUTH AFRICA—Plain, printed nylon taffetas. Paradise Quilt Products (Pty.) Ltd. (manufacturer), P.O. Box 73, Wellington, Cape Province. WTD 10/23/67.

228 Yarn, thread mills, products

ENGLAND—Manmade textile, industrial yarns, fibers. Agency and direct purchase. Newton, Lansdowne and Co. Ltd. (importer, exporter), 143 New Bond St., London, W.1. WTD 2/6/67.

IVORY COAST—Unbleached spun rayon ("fribanne"), length 32 mm., 1.5 denier, 40-50 tons per month for a six-month contract. Quote price c.i.f. Abidjan. Ets. R. Gonfreville (textile mill), B.P. 584, Bouake. WTD in preparation.

229 Textile goods

SOUTH AFRICA—Manmade fibers: 100% polyester or acrylic, for use as waddings and padded fillings in quilts, sleeping bags. Paradise Quilt Products (Pty.) Ltd. (manufacturer), P.O. Box 73, Wellington, Cape Province. WTD 10/23/67.

VENEZUELA—Fine long-fiber white cotton waste. Sales agency for Caracas. Direct purchase and agency. Ferrimport, C.A. (importer, sales agent), Quinta Pipina, Avenida Honduras, Las Acacias, Caracas. or: Apartado 7693 Nueva Granada, Caracas. WTD 10/67.

251 Household furniture

GERMANY—Upholstered household furniture, all types. Direct purchase and agency. Ernst Stark & Co. KG (manufacturer), Polstermoebelfabrik, 717 Schwaebisch Hall, Daimlerstrasse 31. WTD 11/67.

252 Office furniture

FRANCE—Filing cabinets: metal or wood, card-index boxes, rotating card-indexes, card indexes. Requests replies in French. Socomi S.A. (importer, wholesaler), 4, Rue de la Fontaine, 92 Bagneux. WTD 9/67.

261 Pulp mills, products

ENGLAND—Specialty high alpha sulphate pulp; bleached cotton linter pulp. Agency and direct purchase. Fourstones Paper Mill Co.

Ltd. (manufacturer), 1-9 Ludgate Hill, London, E.C.4. WTD 10/20/67.

264 Converted paper, paperboard products

FRANCE—Computing machine paper rolls. Direct purchase and agency. Severest S.A. (importer, wholesaler, agent), 54, Rue Saint-Lazare, Paris, 9e. WTD 9/67.

SWEDEN—Bolts of bulk paper for use in manufacture of paper clothes. Landstingens Inkopscentral (importer, wholesaler, exporter, sales agent), Fack, Solna 1. Attn: Mr. Allen Johansson. WTD 4/26/66.

VENEZUELA—Cellophone paper. Direct purchase and sales agency for Caracas. Ferrimport, C.A. (importer, sales agent), Quinta Pipina, Avenida Honduras, Las Acacias, Caracas. or: Apartado 7693 Nueva Granada, Caracas. WTD 10/67.

266 Building mills paper, building board

SWEDEN—Building material of all kinds. Direct purchase and agency. AB Fosforos, (importer, wholesaler), Dalhemsvagn 45, Huddinge. WTD 2/16/67.

SWITZERLAND—Insulating building boards, materials. Agency and direct purchase. Requests replies in French or German. Werner Isolations S.A. (importer, wholesaler), Rue de Geneve 77bis, 1004 Lausanne. WTD in preparation.

281 Industrial chemicals

ENGLAND—All types of industrial chemicals, allied products, particularly those for plastics, surface coating, pharmaceutical industries. Agency and direct purchase. Victor Blagden and Co. Ltd. (sales agent, distributor), Plantation House, Mincing Lane, London, E.C.3. WTD 2/17/67.

THAILAND—Specialty, industrial chemicals in bulk for local manufacture of cosmetics, toilet preparations. Direct purchase and agency. C.i.f. Bangkok prices, samples requested. Bangkok Specialties Ltd., Part. (importer, manufacturer), 450 Siphya Rd., P.O. Box 2395, Bangkok. WTD 10/67.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

★★**TURKEY**—Dyes for hair processing, including technical advice. Yeni Arbulus International Trading (manufacturer), Ordu Cad. 212. Aksaray, Istanbul. WTD in preparation. TMD-42.

285 Paints, varnishes, lacquers, enamels

VENEZUELA—Enamel spray paints. Sales agency for Caracas. Direct purchase and agency. Ferrimport, C.A. (importer, sales agent), Quinta Pipina, Avenida Honduras, Las Acacias, Caracas. or: Apartado 7693 Nueva Granada, Caracas. WTD 10/67.

287 Agricultural chemicals

COLOMBIA—Dried raw ipecac root, medicinal herbs for use in pharmaceutical preparations. Mar-Caribe Ltda. (wholesaler, exporter), Apartado Aereo (airmail P.O. Box) 285, Barranquilla. WTD 10/67.

291 Petroleum refining

ENGLAND—Naphtha, minimum of 100,000 tons per year. Louvain Preparations Ltd. (broker), 59 Aldenham Road, Bushey, Hertfordshire. WTD 10/26/67.

303 Reclaimed rubber

GUATEMALA—Reclaimed rubber for industrial utilization. Direct purchase and agency. Veltman Operaciones (Guatemala), S.A. (manufacturers' representative), 9a. Calle 5-54, Zona 1—Apartado Postal 1540, Guatemala City. WTD 9/67.

306 Fabricated rubber products

VENEZUELA—Toys, rubber. Distribution for entire country. Requests replies in Spanish. Osequios Selectos, C.A. (importer, distributor), Avenida Bolivar N° 137-A-1, Valencia, Estado Carabobo. WTD 10/20/67.

307 Plastics products

GERMANY—Plastic hoses of polyvinyl chloride, flexible, highly tensile wire helix fully embedded in the wall, nylon braided for strength; bore sizes ¼" to 4". Quotations requested c.i.f. Bremen indicating delivery periods. Ucla Unnering & Claassen (importer, wholesaler), Duckwitzstrasse 74, 28 Bremen. WTD 3/67.

All sorts of plastic household articles, incl. plastic kitchen, bathroom articles. Direct purchase and agency for Europe. Dr. W. Scheermesser & Co. KG (manufacturer, distributor, exporter), 546 Linz/Rhein, Asbacher Str. 2. WTD 10/67.

SWEDEN—Household articles. Direct purchase and agency. Terma Import- & Fabriks AB (manufacturer, agent, distributor, exporter, importer), Observatoriegatan 12, Stockholm. WTD 10/67.

311 Leather tanning, finishing

ENGLAND—Leather for footwear, clothing, fancy leather for handbags, small leather goods, glove trades. Agency and direct purchase. Alma (London) Ltd. (manufacturer, wholesaler, exporter), 1-3 Gresse St., Rathbone Place, London, W.1. WTD 6/2/67.

329 Abrasive, asbestos, and miscellaneous nonmetallic mineral products

SWITZERLAND—Mineral wool insulation products. Agency and direct purchase. Requests replies in French or German. Werner Isolations S.A. (importer, wholesaler), Rue de Geneve 77bis, 1004 Lausanne. WTD in preparation.

331 Steel mill products

PORTUGAL—Stainless steel, AISI 430 2B finish, 2.25 mm; in one meter width coils weighing up to 2,000 lbs. Requires 700 tons per year. Stainless steel, AISI 420—100 6 mm., bars. Requires 300 tons per year. Chromolit Portugal-Cutelarias e Produtos Metalicos, S.A.R.L. (manufacturer). Sande, Caldas das Taipas, Guimaraes. WTD 9/67.

335 Rolling, drawing, extruding of nonferrous metals

GUATEMALA—Tin plate. Direct purchase and agency. Veltman Operaciones (Guatemala), S.A. (manufacturers' representative), 9a. Calle 5-54, Zona 1—Apartado Postal 1540, Guatemala City. WTD 9/67.

342 General hardware

FRANCE—Aircraft hardware: nuts, bolts, gaskets. Tardy & Cie (importer), 75 cours Pierre Puget, 13-Marseille, 6eme. WTD 10/27/67.

ITALY—Motorboat hardware, accessories. Giorgio Adreani & Co. (distributor), Vimodrone (Milano). WTD 5/67.

349 Fabricated metal products

SWEDEN—Valves of all kinds to complete present sales program which includes industrial, marine, stainless steel valves. Direct purchase and agency. Nordiska Armaturfabrikerna AB (manufacturer, agent, exporter, importer), Linkoping. WTD 9/67.

352 Farm machinery

SWEDEN—Garden type tractors, equipment, attachments, other garden type machinery. Direct purchase and agency. Cardinal AB (retailer, agent, distributor, exporter, importer), Artemisgatan 24, Stockholm. WTD 10/67.

353 Construction, mining, materials handling machinery, equipment

ENGLAND—Cranes for all industrial purposes. Agency and direct purchase. Pin High Cranes Ltd. (manufacturer, exporter, importer, sales agent), Marian Works, Lane End, High Wycombe, Buckinghamshire. WTD 5/31/67.

Mechanical handling equipment such as cranes, dumpers, fork lift trucks. Agency and direct purchase. Newton, Lansdowne and Co. Ltd. (importer, exporter), 143 New Bond St., London, W.1. WTD 2/6/67.

GUATEMALA—Mine crushers, separators, related machinery, equipment to produce electrolytic copper. Production estimated at 50 tons per 8-hr. shift. Industrias de Algodon, S.A.—Indealsa (manufacturer), 17 Calle 5-35, Zona 1—Apartado Postal 219, Guatemala City. WTD 1/67.

THAILAND—All kinds of mining equipment, c.i.f. prices, catalogs requested. Direct purchase and agency. Ace Enterprise Co. Ltd. (importer, wholesaler), 48/10 New Petchburi Rd., Bangkok. WTD 9/67.

★★**TURKEY**—Conveyors approx. 50 ft., crusher, separator by grain size, 24 sizes from 65-3000 microns, exhaust system for dust removal, packaging equipment to 50 kg units. Hasan Uluseri Zimpara ve Degirmentasi Sanayii (manufacturer), Yemis Carsisi, 855 Sokak 20, Izmir. WTD in preparation. TMD-18.

354 Metalworking machinery

DENMARK—Pipe, tube mill machinery for production of "finned copper pipes." Machines must produce pipes with an approximate length of 8-12 meters and with 11, 16 and 19 fins per inch depending on requirements, must be adjustable to produce fins in heights of 1.3

mm and 3.2 mm—¾" and ⅞" phosphor-reduced copper pipe is used in this production; if no machine is programmed in this manner, then other equally suitable unalloyed copper mill shapes may be used. Arne Piper Ingeniorforretning (agent, importer, distributor), 4 Trommesalen, Copenhagen V. WTD 6/66.

● **CHILE**—Supply of precision lathes, drills, allied equipment. Tender No. n/n, bid deadline Dec. 7. Empresa Nacional de Electricidad S.A. "ENDESA," calle Huerfanos 863 (Edificio Espana) Of.315, Santiago. Correspondence in Spanish preferred.

Copies of specifications are available for $8.00 each, from "Endesa" S.A., Moneda 921, O.F.433, Santiago.

ENGLAND—Auxiliary attachments to machine tools. Agency and direct purchase. Wix and Royd Ltd. (importers, sales agent), Alexia House, 63 Manor Dr., Esher, Surrey. WTD 2/13/67.

● **SENEGAL**—One wheel-lathe, one oxy-acetylene cutter, bid deadline Dec. 1. Regie des Chemins de Fer, Place de l'Independance, Dakar, IDA Loan.

Further particulars may be obtained from Mr. Samba N'Diaye, First Counselor, Embassy of Senegal, 2112 Wyoming Ave., NW., Washington, D.C.

SWEDEN—Smaller universal gas cutting machines for steel construction shop work; plate, profile cutters; cold saws; welding accessories such as fixtures, positioners, tables, clamps. Chalmers Univ. of Technology (government institution), Div. of Structural Engineering, Dept. of Steel and Wooden Structures. Attn: Mr. Hovik, Gibraltargatan 5c, Goteborg.

★★**TURKEY**—Brake to handle 1" x 10 ft. boiler plate, rolling equipment, heavy duty shear & shear automatic for angle iron up to 5" angle x maximum thickness. Agency and direct purchase. Termo-Teknit (manufacturer, importer), Abidinpasa Caddesi No. 47, P.K. 331, Adana. WTD 6/67. TMD-12.

★★ Spring leafs, bushings. Complete layout, prices for renovation of present facilities. Hansan Hami Con (manufacturer), Necatibey Cad. No. 42, Karkoy, Istanbul. WTD in preparation. TMD-37.

VENEZUELA—Tools for automotive workshops. Sales agency for entire country. Direct purchase and agency. Representaciones Federico Nunez (sales agency), Apartado 7689 Sabana Grande, Caracas. WTD 10/30/67.

355 Special industry machinery

BRAZIL—Modern, standard unit, fully automatic equipment for manufacturing foam rubber sheets from natural rubber. Desires latest in technology, installation of equipment, training of personnel to be included, if possible. Eureka S.A. Industria de Artefatos de Borracha (manufacturer), Rua dos Escudeiros 128, Sao Bernardo do Campo (SP), Caixa Postal 391. Attn: Mr. M. S. Abohamad. WTD in preparation.

ENGLAND—Printing machinery, allied equipment. Agency and direct purchase. Hall-Kelly Printing Machinery Ltd. (manufacturers, distributor), Albion House, 201-3 Stoke Newington Church St., London, N.16. WTD 4/20/67.

KOREA—Printing equipment: two automatic offset proofing presses, one bed size 30" x 25", one bed size 20" x 24"; one powderless etching engraving machine, plate size 16" x 20"; one step and repeating machine, plate size 40" x 60"; one automatic film developing machine, plate size 13" x 18"; one paper cutting machine, with cutting length 45"; cutting knives, size 15. Young In Ind. Co., Ltd. (importer, exporter), I.P.O. Box 2890 Seoul. WTD 6/67.

SWEDEN—Universal machine saw; nailing machinery, stationary, portable; equipment for gluing beams, panels. Chalmers Univ. of Technology (government institution), Div. of Structural Engineering, Dept. of Steel and Wooden Structures, Attn. Mr. Hovik, Gibraltargatan 5c, Goteborg.

Machinery to truss chickens for grilling. Direct purchase and agency. Alex Petersen & Co. AB (wholesaler, agent), Fleninge, Odakra. WTD 10/67.

THAILAND—Machinery for manufacturing crowncork. C.i.f. prices, catalogs requested. Direct purchase and agency. ACE Enterprise Co., Ltd. (importer, wholesaler), 48/10 Petchburi Rd., Bangkok. WTD 9/67.

★★**TURKEY**—Machinery for manufacturing tubular electric heaters up to 10 kw/unit as used in water, oil heating, kitchen appliances. A. Ozden Ertoz (manufacturer), 1421 Sokak No. 39, Izmir. WTD in preparation. TMD-19.

★★ Food products machinery: canning, bottling using local citrus growing sources. Ekmekciler (wholesaler, retailer), Cakmak Caddes, No. 92, Adana. WTD 6/67. TMD-14.

★★ Equipment for chlor-alkali production used in cotton textile industry. Capacity to handle 5 tons salt daily. Fehmi Asaboglu ve Ort. Koll. Sti. (wholesaler), Mahmutpasa Cad. Buyuk Corapci Han 13, Istanbul. WTD in preparation. TMD-45.

356 General industrial machinery

THAILAND—Complete line of deepwell pumps, gasoline, diesel powered. C.i.f. prices, catalogs requested. Direct purchase and exclusive agency. Ace Enterprise Co. Ltd. (importer, wholesaler), 48/10 Petchburi Rd., Bangkok. WTD 9/67.

★★ **TURKEY**—Machinery to manufacture small cartons, plastic, glass vials as used in drug industry, metal, foil packaging, corrugated cartons. Textile Import Co. (manufacturer), Asirefendi Cad. Gurun Han 242, Istanbul. WTD in preparation. TMD-38.

★★ Irrigation pumps, equipment; electrical pumps, related items. Ric (importer), Ataturk Blv. and Apt. 69/9, Ankara. WTD 12/30/66. TMD-6.

357 Office, computing, and accounting machines

ENGLAND—Office equipment and stationery sundries of all kinds. Fonadek International Ltd. (manufacturer, exporter), Vivian Rd., Birmingham 17, Warwickshire. WTD 2/3/67.

Choice of language

Some people—about seven-eighths of them—just do not understand English.

So when you answer an advertiser in these pages who requests replies in his own language oblige him *and* yourself.

Ask the Department of Commerce Field Office for advice.

358 Service industry machines

ENGLAND—Equipment for self-service laundry, dry-cleaning, ancillary industries. M. A. Woodward (Special Equipment) Ltd. (importer, distributor), Woodward House, Cadmore Lane, Cheshunt, Waltham Cross, Hertfordshire. WTD 6/8/67.

Washing machines, dry-cleaning machines, or any form of ancillary equipment for coin-operated laundries such as vending machinery for soaps, detergents, plastic bags. Agency and direct purchase. James Bentley (Equipment) Ltd. (distributors), Bentley House, 4 Disraeli Road, Putney, London, S.W. 15. WTD 6/29/67.

IVORY COAST—Institutional type automatic washers, dryers for 400 bed government hospital. Must be 220 volts, A.C.; state capacities offered, cost c.i.f. Abidjan. Requests replies in French. M. Guigui Albert, Econome, Hopital Central d'Abidjan.

★★ **TURKEY**—Air conditioning units, 5000-15,000 BTU/HR, all components except outside case. Requires all technical data, test equipment, quality control procedures used in assembly. Simtel Ticaret ve Sanayi A. S. (manufacturer), Istiklisi Caddesi 347, Istanbul. WTD in preparation. TMD-35.

★★ Industrial and hotel air conditioning equipment. Erenturk (sales representative), Izmir cad. 31/4, Ankara. WTD 7/5/66. TMD-2.

361 Electric transmission, distribution equipment

ENGLAND—Precision electrical and electronic measuring instruments, industrial electronic control devices of unique character. Agency and direct purchase. Claude Lyons Ltd. (manufacturer, importer), Valley Works, Hoddesdon, Hertfordshire. WTD 6/12/67.

● **THAILAND**—Supply of ten complete units of 15 KV indoor, metal-clad switchgear; one unit of 69 KV metering panel and two spare oil circuit breakers rated at 800 and 2,000 amps. The switchgear is for installation on a 12 KV, 3-phase, 50-cycle system. Tender No. MEA-PSD-100, bid deadline Dec. 7. Metropolitan Electricity Authority, 121 Chakrapetch Rd., Bangkok.★ (Telephone: 202-967-4241).

362 Electrical industrial apparatus

● **BURMA**—1800 ft. of various size welding electrodes (Murex type), 500 lbs. of various size mild steel, bronze rods, 20 lbs. of "ALDA" aluminum flux, 50 lbs. of lead soldering flux and two sets of welding hose—100' x 5/16" dia. Tender No. MEIC/B.Rlys/13(T)56/67.68. Bid deadline Dec. 7. The Chairman, Union of Burma Railway Board, Bogyoke Aungsan St., Rangoon.★ (Telephone: 202-967-2723).

ENGLAND—Small electronic controls. Agency and direct purchase. Perfection Parts Ltd. (distributor, importer), 59 Union St., London, S.E. 1. WTD 1/25/67.

SWEDEN—MIG, TIG equipment for semi-automatic, manual, shop, field welding of alloyed steel; print, tack welding equipment. Chalmers Univ. of Technology (government institution), Div. of Structural Engineering, Department of Steel and Wooden Structures, Attn. Mr. Hovik, Gibraltargatan 5c, Goteborg.

★★ **TURKEY**—Battery chargers, to assemble in Turkey. Simtel Ticaret ve Sanayi, A.S. (manufacturer), P.K. 464 Bey Oglu, Istanbul. WTD in preparation. TMD-46.

366 Communication equipment

SWEDEN—Radio equipment for aircraft. Di-

rect purchase and agency. Ostermans Aero AB (importer, wholesaler, sales agent), Fack, Bromma 10. WTD 3/67.

369 Electrical machinery, equipment, supplies

★★ **TURKEY**—Generators, to assemble in Turkey. Simtel Ticaret ve Sanayi, A. S. (manufacturer), P.K. 464 Bey Oglu, Istanbul. WTD in preparation. TMD-22.

371 Motor vehicles, motor vehicle equipment

VENEZUELA—Motor vehicle parts, accessories. Direct purchase and agency for entire country. Comercial Exito, C.A. (importer, sales agent, distributor), Sur 2 Bis, Puente Soublette, detras del Hotel Comercio, Caracas. Apartado 6090 Quinta Crespo, Caracas. WTD 10/30/67.

372 Aircraft, parts

FRANCE—Aircraft engine parts. Tardy & Cie (importer), 75 cours Pierre Puget, 13—Marseille, 6eme. WTD 10/27/67.

SWEDEN—Aircraft equipment, accessories, hardware, rescue equipment. Direct purchase and agency. Ostermans Aero AB (importer, wholesaler, sales agent), Fack, Bromma 10. WTD 3/67.

374 Railroad equipment

● **AUSTRALIA**—Design, manufacture, supply and delivery of 280 sixty-two ton gross weight coal hopper cars. Tender No. A67.200.35, bid deadline Dec. 5. Queensland Government Railways, Office of the Commissioner. Adelaide St., Brisbane, 4000. Queensland. Tender documents are available for inspection from the above address or the office of the Agent General for Queensland, 392 Strand, London W.C. 2. The cost of the tender documents is $23 per set plus air freight costs.

381 Engineering, laboratory, scientific, research instruments

SWEDEN—Aeronautical equipment, aircraft flight instruments. Direct purchase and agency. Ostermans Aero AB (importer, wholesaler, sales agent), Fack, Bromma 10. WTD 3/67.

382 Instruments for measuring, controlling, indicating physical characteristics

SWEDEN—System analysis of equipment for measuring physiological variables. Direct purchase and agency. Elmeda AB (importer, manufacturer, sales agent), HHj. Soderbergs vag 14 B, Stockholm K. WTD 10/67.

Strain measuring equipment; strain recording equipment; digital, pen recorders; X-Y plotters. Chalmers Univ. of Technology (government institution), Div. of Structural Engineering, Dept. of Steel and Wooden Structures, Attn. Mr. Hovik, Gibraltargatan 5c, Goteborg.

384 Surgical, medical, dental instruments

ITALY—Ophthalmic, orthoptic instruments, apparatus. Acise (importer, representative), Via Pancaldo 7, Milan. WTD 5/67.

386 Photographic equipment

FRANCE—Heat sensitive paper. Direct purchase and agency. Severest S.A. (importer, wholesaler, agent), 54, Rue Saint-Lazare, Paris, 9eme. WTD 9/67.

ITALY—Photocopying machines, electrostatic, dry process, diffusion transfer; electrostatic sensitized paper. Fotorex (agent), Via Fiume 48, Sesto S. Giovanni (Milan). WTD 8/67.

394 Toys, amusement, sporting goods

FRANCE—Skin diving equipment; stands, boards, underwater cutting torches, compressed air purification equipment, breathing apparatus, depth gauges; divers' hose, helmets, pumps. Societe Industrielle L'Angeviniere & Joue-les-Tours (manufacturer, importer, wholesaler), 63, Avenue de Villiers, Paris, 17eme. WTD 9/67.

SWEDEN—Sporting goods, all kinds. Please quote c.i.f. prices. Direct purchase and agency. Terma Import- & Fabriks AB (manufacturer, agent, distributor, exporter, importer), Observatoriegatan 12, Stockholm. WTD 10/67.

VENEZUELA—Sporting goods, except sports clothing. Distribution for entire country. Requests replies in Spanish. Deportes y Guantes Industriales, S.R.L. (importer, distributor, manufacturer, sales agent), San Vicente a Cortijos 58, Ayenida Andres Bello, a lado Hospital Ortopedico, Caracas. WTD 10/26/67.

Games, toys, dolls. Distribution for entire country. Obsequios Selectos, C.A. (importer, distributor), Avenida Boliver N° 137-A-1, Valencia, Estado Carabobo. WTD 10/20/67.

395 Pens, pencils, office, artists' materials

FRANCE—Typewriter ribbons, carbon paper. Direct purchase and agency. Severest S.A. (importer, wholesaler, agent), 54, Rue Saint Lazare, Paris, 9eme. WTD 9/67.

399 Manufacturing industries

ENGLAND—Ornaments, giftware for household use. Direct purchase. Hutcheson and Sons Ltd. (importer, distributor), Silver City House, 62 Brompton Rd., London, S.W.3. WTD 2/27/67.

Products for distribution in the floor covering installation field and do-it-yourself markets, such as carpet grippers, carpet laying tools. Cimco Ltd. (manufacturer, exporter), Commerce Way, Lancing, Sussex. WTD 5/28/67.

VENEZUELA—Advertising novelties. Distribution for entire country. Obsequios Selectos, C.A. (importer, distributor), Avenida Bolivar N° 137-A-1, Valencia, Estado Carabobo. WTD 10/20/67.

483 Radio broadcasting and television

★★**TURKEY**—Wishes to work with a U.S. company on establishing a television broadcasting company and a closed system-set up, which broadcasts educational programs on experimental basis. Erenturk Musavir Muhendiscik (consulting engineers, representatives), Izmir Caddesi 31/4, Ankara. WTD 7/5/66. TMD-3.

504 Groceries

VENEZUELA—Spices, unpacked. Distribution for entire country. Requests replies in Spanish. Gonzalez & Cia., "Industrias Flor de Yaracuy" (manufacturer, importer, distributor), Carretera Pan Americana, Las Tapias, San Felipe, Estado Yaracuy. WTD 10/67.

505 Farm products—raw materials

NETHERLANDS—Feed grains, raw materials for manufacture of feedstuffs. N. Timmerman's Graan- en Meelhandel en Maalderij N.V. (importer), 90 Schermerweg, Alkmaar. WTD 10/67.

Burma to erect steel pipeline surge tank and penstock

Bids are invited for the supply and erection of steel pipe line, surge tank, and penstock with accessories for the Balu Chaung project by the Controller of Stores, Electricity Supply Board, Ahlone/Strand Road, Rangoon, Burma.

Bid deadline is Feb. 29, 1968.

Copies of prescribed forms and specifications may be obtained by sending a certified check in the amount of $21.50, payable to the American Embassy in Rangoon.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 247-0311.

ANCHORAGE, ALASKA, 99501, 306 Loussac Sogn Building. Area Code 907 Tel. 272-6331.

ATLANTA, GA., 30303, 4th Floor, Home Savings Building, 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 South 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Building, 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Building—Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W.VA., 25301, 3002 New Federal Office Building, 500 Quarrier St. Area Code 304 Tel. 343-6196.

CHEYENNE, WYO., 82001, 6022 Federal Building, 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Building, 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Building, 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44101, 4th Floor, Federal Reserve Bank Building, East 6th St. and Superior Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 120, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Building, 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 1216 Paramount Building, 509 Grand Ave. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Building. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 412 U.S. Post Office Building. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, 18 Asylum St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 202 International Savings Building, 1022 Bethel St. Tel. 588-977.

HOUSTON, TEX., 77002, 5102 Federal Building, 515 Rusk Ave. Area Code 713 Tel. 228-0611.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 West Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Building, 1031 South Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 343 Federal Office Building, 167 North Main St. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Building, 238 West Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Building, 110 South Fourth St. Area Code 612 Tel. 334-2133.

NEW ORLEANS, LA., 70130, 909 Federal Office Building, South, 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10001, 61st Floor, Empire State Building, 350 Fifth Ave. Area Code 212 Tel. 563-3377.

PHILADELPHIA, PA., 19107, Jefferson Building, 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Building, 230 North First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Building, 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Building, 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Building, 400 North 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Building, 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Building, 125 South State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Building, Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Building, 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 809 Federal Office Building, 909 First Ave. Area Code 206 Tel. 583-5615.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

203 Canning, preserving foods

UGANDA—Canned baby foods. A. Gill & Co. (Uganda) Ltd. (agency), P.O. Box 533, Kampala. WTD 10/27/67.

204 Grain mill products

CEYLON—Wheat flour. F.X. Pereira & Sons Ltd. (agents, importers), P.O. Box 187, First Cross St., Colombo 11. WTD 10/67.

ITALY—Ingredients, adjuncts, supplements for preparation of animal food. Chezoo Italiana, S.r.l. (manufacturer), Via Monte Asolone 6, Milan. WTD 7/67.

UGANDA—Cereal breakfast foods. A. Gill & Co. (Uganda) Ltd. (agent), P.O. Box 533, Kampala. WTD 10/27/67.

206 Sugar

CEYLON—Sugar. F.X. Pereira & Sons Ltd. (agent, importer), P.O. Box 187, First Cross St., Colombo 11. WTD 10/67.

222 Broad woven fabric mills, manmade fiber, silk

ETHIOPIA—Men's suiting material, summer wear. International Service Co., Ltd. (commission agent), P.O. Box 635, Addis Ababa. WTD 6/67.

223 Broad woven fabric mills, wool

ETHIOPIA—Men's suiting material, summer wear. International Service Co., Ltd. (commission agent), P.O. Box 635, Addis Ababa. WTD 6/67.

225 Knitting mills, products

FRANCE—Sport shirts, ski suits. Roger Bouffe (agent), 16, Allee Bellevue, 78 Le Pecq. WTD 8/67.

231 Men's, youths', boys' suits, coats, overcoats

FRANCE—Men's sport coats, jackets. Roger Bouffe (agent), 16, Allee Bellevue, 78 Le Pecq. WTD 8/67.

232 Men's, youths', boys' furnishings, work clothing

FRANCE—Men's sport trousers; ski pants; sport shirts. Roger Bouffe (agent), 16, Allee Bellevue, 78 Le Pecq. WTD 8/67.

233 Women's, misses', juniors' outerwear

FRANCE—Women's sport suits, leggins; sport coats, jackets; ski pants, jackets. Roger Bouffe (agent), 16, Allee Bellevue, 78 Le Pecq. WTD 8/67.

272 Periodicals, publishing, printing

NETHERLANDS—Current issues of magazines, periodicals for both single copy sale and subscription, no overdue copies. Exclusive agency. N.V. v/h Van Ditmar's Import (importer, distributor, retailer, exporter), 32-36 Schiestraat or P.O. Box 262, Rotterdam. WTD 2/67.

273 Books

ETHIOPIA—Books, both textbooks, general reading; paperback or hardbound. Tesfaye Roba (commission agent), P.O. Box 393, Addis Ababa. WTD 10/67.

281 Industrial chemicals

ENGLAND—Chemical raw materials, specialty products for paper, board, packaging, building, reinforced plastics industries. Sole agency with view to manufacturing under license at later date. Chemicovens Ltd. (importer, sales agent), Vintry House, Queen Street Place, London, E.C. 4. WTD 7/7/67.

Terpene chemicals, such as pinene, dipentene, pine oil, myrcene, any derivatives thereof. Exclusive agency. The White Sea and Baltic Co. P&I Danischewsky Ltd. (importer, exporter, distributor), 8-9 Hayne St., London, E.C. 1. WTD 6/9/67.

NETHERLANDS—Chromium green oxide. Exclusive agency. N. V. Mosam (importer, exporter, transit trader, agent), P.O. Box 184, Maastricht. WTD in preparation.

Full analine for shoe manufacturing industry. Lederfabriek en Handelmaatschappij Ackermans N.V. (importer, exporter, wholesaler, manufacturer), Wilhelminapark 117, Tilburg. WTD 12/14/66.

282 Synthetic materials

★★ **TURKEY**—Urea type resins, both furfural and formaldahyde. Merkez Reklam (advertising, tourism), Mesrytiyet Cad No. 8, Kat 1 Galatasaray, Istanbul. WTD 8/67. TMD-15.

283 Drugs

ITALY—Vitamins for preparation of food for animals. Chezoo Italiana, s.r.l. (manufacturer), Via Monte Asolone 6, Milano. WTD 7/67.

★★ **TURKEY**—Chemicals for production of drugs: bismuth salts, pyramidone, caffeine, phenacetine, iode metalique, sulfamid derivatives. Yeni Ecza Deposu (importer), Comert Turk Sokak No. 16, Tahtakale, Istanbul. WTD in preparation. TMD-23.

UGANDA—Pharmaceutical preparations. A. Gill & Co. (Uganda) Ltd. (agent), P.O. Box 533, Kampala. WTD 10/27/67.

307 Plastic products

VENEZUELA—Foamed plastics for the construction industry. Sales agency for entire country. Tecnica Honeck, C.A. (sales agent, importer), Edificio Nona, Hoyo a Castan N° 115, Caracas; or: Apartado 2251, Caracas. WTD 10/67.

311 Leather, tanning, finishing

NETHERLANDS—Full grain upper leather, boxcalf for manufacture of shoes, bags, other leather products. Lederfabriek en Handelmaatschappij Ackermans N.V. (importer, exporter, wholesaler, manufacturer), Wilhelminapark 117, Tilburg. WTD 12/14/66.

314 Footwear, except rubber

FRANCE—Boots, shoes for sport wear. Roger Bouffe (agent), 16, Allee Bellevue, 78 Le Pecq. WTD 8/67.

329 Abrasive, asbestos, nonmetallic mineral products

NETHERLANDS—Rubberclay. Exclusive agency. N.V. Mosam (importer, exporter, agent, transit trader), P.O. Box 184, Maastricht. WTD in preparation.

331 Steel mill products

ITALY—Magnetic steel sheets, strips; hot, cold rolled common and special steel sheets. Davumex, S.r.l. (representative), Via C. Botta 19, Milan. WTD 5/67.

★★ **TURKEY**—Steel sheets. Tayli Mensucat—Naci Karatayliogluve Ort. Koll. Sti. (manufacturer), Sultanhamam Asirefendi Cad. 20/2, Istanbul. WTD in preparation. TMD-32.

335 Rolling, drawing, extruding of nonferrous metals

★★ **TURKEY**—Brass, aluminum sheets. Tayli Mensucat—Naci Karatayliogluve Ort. Koll. Sti. (manufacturer), Sultanhamam Asirefendi Cad 20/2, Istanbul. WTD in preparation. TMD-33.

339 Miscellaneous primary metal products

★★ **TURKEY**—Steel products. Orak Ticaret ve Sanayi Evi (agent), P.O. Box 291 Beyoglu, Istanbul. WTD in preparation. TMD-29.

343 Heating apparatus, plumbing fixtures

★★ **TURKEY**—Domestic hot water home furnace, hot water heater for L.P. gas and natural gas; needs gas unit in addition to furnace. Termo-Teknit (manufacturer, importer), Abidin Pasa Caddes, No. 47, Adana. WTD 6/67. TMD-13.

350 Machinery

★★ **TURKEY**—Industrial machinery equipment. Orak Ticaret ve Sanayi Evi (agent), P.O. Box 291 Beyoglu, Istanbul. WTD in preparation. TMD-25.

351 Engines, turbines

THAILAND—Two stroke gasoline engines ranging from 3 to 10 Hp., for irrigation purposes. C.i.f. Bangkok prices, catalogs requested. Exclusive agency. Loxley (Bangkok) Co., Ltd. (importer, wholesaler), 304 Sua Pa Rd., Bangkok. WTD 10/67.

★★ **TURKEY**—Water turbines. Orak Ticaret ve Sanayi Evi (agent), P.O. Box 291 Beyoglu, Istanbul. WTD in preparation. TMD-26.

353 Construction, mining, materials handling machinery, equipment

ENGLAND—Roller transmission chains, rotary chains, flat top conveyor chains, leaf-chains, chainwheels, pinions, chain clutches and couplings. Roller Chain Distributors Ltd.

(sales agents), 75 Drayton St., Wolverhampton. WTD 5/3/67.

NETHERLANDS—Airport equipment. Agency for West-European countries. Aviasales N.V. (importer, exporter, distributor, agent), Roland Holstlaan 37, Reeuwijk. WTD 3/67.

★★ **TURKEY**—Lift trucks, trenching machines. Exclusive representation. Ric (importer), Ataturk Blv. and Apt. 69/9, Ankara. WTD 12/30/67. TMD-7.

★★ Road construction and maintenance machinery. Orak Ticaret ve Sanayi Evi (agent), P.O. Box 291 Beyoglu, Istanbul. WTD in preparation. TMD-27.

354 Metalworking machinery

VENEZUELA—Portable electric tools, 110V, 50/60 cycles. Sales agency for Caracas. Ferrimport, C.A. (importer, sales agent), Quinta Pipina, Avenida Honduras, Las Acacias, Caracas. or: Apartado 7693 Nueva Granada, Caracas. WTD 10/67.

355 Special industry machinery

ENGLAND—All types of machinery or ancillary equipment relating to knitting industry covering outerwear, underwear, continuous fabrics for dresses, men's and women's hose. Sole agency. Vernon H. Cooper Ltd. (sales agent, importer, exporter), 156/164 Gregory Blvd., Nottingham. WTD 1/24/67.

ITALY—Machinery, equipment for manufacture of animal food. General Design (manufacturer), Via M. Gioia 66, Milan. WTD in preparation.

★★ **TURKEY**—Food processing, packaging; complete plants. Ginners Co. Ltd. (importer), Cotton Exchange Bldg. No. 50-52, Adana. WTD 6/67. TMD-8.

★★ Foundry machinery. Eventual aim to manufacture in Turkey under license and/or joint venture. Kef Ticaret Ve Arif Cubukcu T. Ltd. STI (importer, wholesaler). Anarartalor Mevim Sok. No. 3, Ankara. WTD 6/67. TMD-9.

356 General industrial machinery

★★ **TURKEY**—Air compressors. Orak Ticaret ve Sanayi Evi (agent), P.O. Box 291 Beyoglu, Istanbul. WTD in preparation. TMD-28.

358 Service industry machines

ENGLAND—Specialized valves, control equipment for use in industrial refrigeration. Refrigeration Div., Auriema Ltd. (sales agent), Impectron House, 23/31 King St., London, W.3. WTD 6/22/67.

Seeking new products in air-conditioning, refrigeration field, particularly central station air-conditioning units, multi-zone units, cooling, heating coils, air cooled condensers. Improvair Ltd. (agent), 42 Queensway, London, W.2. WTD 6/22/67.

361 Electric transmission, distribution equipment

ENGLAND—Microwave equipment. Dale Electronics Ltd. (sales agent), 109 Jermyn St., London, S.W.1. WTD 2/20/67.

Advanced electronic techniques applied in control and measurement of temperature, pressure and humidity in industrial processing. Industrial Equipment Div., Auriema Ltd. (sales agent), Impectron House, 23/31 King Street, London, W.3. WTD 6/22/67.

362 Electrical industrial apparatus

ENGLAND—Power supplies, invertors, small AC/DC motors, devices for cooling electronic packages. Electro Mechanical Div., Auriema Ltd. (sales agent), Impectron House, 23/31 King St., London, W.3. WTD 6/22/67.

Electro-magnetic timing and counting devices. Kempston Electrical Co. Ltd. (manufacturer, exporter, sales agent), Shirley Rd., Rushden, Northamptonshire. WTD 5/22/67.

363 Household appliances

CANADA—Household appliances: cooking equipment, electric housewares, well-known and well-advertised brands, not yet represented in Canada. Established nation-wide distribution—supermarkets, drug and variety stores, wholesalers. Exclusive agency. Holtzheuser Bros. Ltd. (importer), 86 Queen Elizabeth Blvd., Toronto 18, Ontario. WTD 10/67.

365 Phonograph records

ETHIOPIA—Phonograph records. Tesfaye Roba (commission agent), P.O. Box 393, Addis Ababa. WTD 10/67.

366 Communication equipment

ENGLAND—Components, sub-assemblies for use in microwave frequencies, covering radar, telecommunications, telemetry fields. Microwave Div. Auriema Ltd. (sales agent), Impectron House, 23/31 King St., London, W.3. WTD 6/22/67.

NETHERLANDS—Electronic equipment for aviation application. Agency for West-European countries. Aviasales N.V. (importer, exporter, agent, distributor), Roland Holstlaan 37, Reeuwijk. WTD 3/67.

★★ **TURKEY**—Alarm systems, business and private; burglar, fire. Elektromekanik (engineer), 1326 Sokak No. 16, Izmir. WTD in preparation. TMD-20.

VENEZUELA—Systems consisting of alarm, remote control of doors, video recorders in combination with TV cameras. Sales agency for entire country. Tecnica Noneck, C.A. (sales agent, importer), Edificio Nona, Hoyo a Castan No. 115, Caracas. Apartado 2251, Caracas. WTD 10/67.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subisidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

367 Electronic components, accessories

LONDON—Metal film resistors. The C.G.S. Resistance Co. Ltd. (manufacturer), Marsh Lane, Gosport St., Lymington, Hampshire. WTD 8/7/67.

★★ **TURKEY**—Electronic parts for radio, television. Sitki Saf (manufacturer, importer), Carsikapi Baysal Saray Kat 2 No. 12-13, Istanbul. WTD in preparation. TMD-39.

369 Electrical machinery, equipment, supplies

★★ **TURKEY**—Automotive electrical equipment, preferably brand name. Nuri Vatan (wholesaler), Sehit Muhtar Cad. No. 37/A Taksim, Istanbul. WTD in preparation. TMD-40.

371 Motor vehicles, motor vehicle equipment

THAILAND—Automobile air-conditioners, well-known brand not yet represented. C.i.f. Bangkok prices, catalogs requested. Silver Rose Ltd. Part. (importer, wholesaler), 703/17-18 Near Paramount Theater, Petchburi Rd., Bangkok. WTD 1/67.

★★ **TURKEY**—Motor vehicles. Simtel Ticaret ve Sanayi A.S. (importer, wholesaler, retailer), 347 Istiklal Caddesi, Istanbul. WTD in preparation. TMD-36.

★★ Automotive parts for American-made cars. Emel Ticaret Koll Sti. (importer), Tarlabasi Caddesi 38/A Taksim, Istanbul. WTD in preparation. TMD-43.

VENEZUELA—Motor vehicle parts and accessories. Sales agency for entire country. Representaciones Federico Nunez (sales agent), Apartado 7689 Sabana Grande, Caracas. WTD 10/30/67.

372 Aircraft, parts

ITALY—Aircraft parts. Alico (distributor), Aeroporto Forlanini, Milano. WTD 6/67.

NETHERLANDS—Aircraft, parts. Agency for West-European countries. Aviasales N.V. (importer, exporter, distributor, agent), Roland Holstlaan 37, Reeuwijk. WTD 3/67.

375 Motorcycles, bicycles, parts

UGANDA—Bicycles, parts. Dawn & Co. Ltd. (importer, agent, retailer), P.O. Box 868, Kampala. WTD 10/23/67.

381 Engineering, laboratory, scientific, research instruments

ENGLAND—Scientific laboratory, process instrumentation, particularly analytical instrumentation. Sole agency. Field Instruments Co. Ltd. (manufacturer, distributor), 1 Warren Way, Weybridge, Surrey. WTD 7/20/67.

Scientific instruments new to U.K. market. D. A. Pitman Ltd. (sales agent), Mill Works, Jessamy Rd., Weybridge, Surrey. WTD 3/16/67.

FRANCE—Instruments for scientific research of an advanced technique. Jose Claude Delville (importer, agent), 46 bis, rue du Marechal Joffre, 78 Saint-Germain-en-Laye. WTD 8/67.

ITALY—Aircraft flight instruments. Alico (distributor), Aeroporto Forlanini, Milano. WTD 6/67.

NETHERLANDS — Meteorological instruments. Agency for West-European countries. Aviasales N.V. (importer, distributor, agent, exporter), Roland Holstlaan 37, Reeuwijk. WTD 3/67.

382 Instruments for measuring, controlling, indicating physical characteristics

NETHERLANDS—Hydraulic regulating and control apparatus, such as pumps, cylinders. Exclusive agencies. Ingenieursbureau De Raaij en Datema N.V. (importer, distributor, installer, engineer), 12 Westvest, P.O. Box 190, Schiedam. WTD 10/67.

★★ **TURKEY**—Fire detection devices, including sprinkler systems. Eventual aim to manufacture under license and/or joint venture. Kef Ticaret Ve Arif Cuburcu T. Ltd. STI (im-

porter, wholesales), Anarartalar Mevsim Sok. No. 3, Ankara. WTD 6/67. TMD-10.

384 Surgical, medical, dental instruments

★★ **TURKEY**—Medical, scientific instruments, supplies. Orhan Bicakci (importer), Millet Caddesi Yusuf Pasa No. 12, Buyuk Saray Daire I, Istanbul. WTD 11/66. TMD-11.

★★ Surgical, electro-cardiogram. physical therapy and kindred lines. X-ray equipment, microscopes for schools. Emes Koll, Sti. (importer), Milli Mudafaa Cad Yillar Apt. 14/5, Ankara. WTD 5/67. TMD-16.

391 Jewelry, silverware, plated ware

FRANCE—Jewelry, cigarette cases, lighters, vanity cases, compacts, trimmings for umbrellas, canes, made of precious metals. Compagnie des Metaux Precieux (importer, manufacturer, wholesaler, retailer), 56 rue de Turbigo, Paris, 3eme. WTD 9/67.

394 Toys, amusement, sporting, goods

FRANCE—Educative games; sport and athletic gloves: boxing, baseball, handball. Roger Bouffe (agent), 16 Allee Bellevue, 78 Le Pecq. WTD 8/67.

VENEZUELA—Toys, dolls. Agency for entire country. Gunz, S.R.L. (sales agent), Edificio Carvallo, Piso 1, Esquina Tienda Honda, Caracas. or: Apartado 1382, Caracas. WTD 10/27/67.

395 Pens, pencils, office, artists' materials

ENGLAND—Carbon paper, typewriter, computer ribbons. Sole agency with view to manufacturing under license. Copigraph Ltd. (manufacturer), Treforest, Glamorganshire, Wales. WTD 6/28/67.

Leads for Importers

Commodities are offered direct unless specified

151 General building contractors

★★ **TURKEY**—Company wishes to perform following activities, services for U.S. firms: supplying advance information on orders to be placed; advocating placing of orders with firms it represents; all engineering service supplied to develop local data; erection, construction of any work required; furnishing costs estimates for local work to be done. Company has experienced English speaking, American trained engineers. Celalettin Dervis Bukey ve Oglu Ticaret Ltd. Sirketi (general engineering, contracting), Olgunlar Sokak No. 16, Ankara. WTD 7/14/67. TMD-1.

205 Bakery products

FRANCE—Bakery, pastry products, dry, industrial production, such as rusks, dietetic bread, biscuits, cakes. Wholesale exportation. Biscuits et Biscottes Lespeau (bakery), 156-158 Avenue Jean-Jaures, 33- Pessac, Gironde. WTD 10/67.

220 Textile mill products

★★ **TURKEY**—Fabrics: cotton, synthetics, cellulose and their blends used for shirtings, ladies' dresses, men's suits, skirts, similar garments. Original designs and special blending of cotton, synthetics. Ultra high finish sanforized, water repellant available. Sample fabrics available on loan from Trade Opportunities Staff, BDSA, 624, Rm. 4203, Department of Commerce, Washington, D.C. 20230. Akfil (manufacturer, importer, exporter, wholesaler), Bakirkoy, Istanbul. WTD in preparation. TMD-44.

When a foot is not a foot

If your printer quoted you a price on 21.5 by 27.9 centimeter letterheads you would think he was in the wrong country.

You probably would pass up the service station where pumps measured gasoline by the liter.

The advertisers in these pages—except those from the U.K. and the British Commonwealth countries—are just as partial to the metric system as you are to inches and gallons.

So when you answer one of them, quote in metric measurements.

Ask the Department of Commerce Field Office.

232 Men's, youths', boys' furnishings, work clothing

★★ **TURKEY**—Men's clothing. Mithat Giyim Muessesesi (manufacturer, exporter), Sultanhamam Hacopulo Han 42, Istanbul. WTD in preparation. TMD-30.

233 Women's, misses', juniors' outerwear

★★ **TURKEY**—Women's coats, jackets. Mithat Giyim Muessesesi (manufacturer, exporter), Sultanhamam Hacopulo Han 42, Istanbul. WTD in preparation. TMD-31.

329 Abrasive, asbestos, and miscellaneous nonmetallic mineral products

★★ **TURKEY**—Jasper, prepared in 1 lb. to 50 lb. blocks. Muammer Tansu (manufacturer), B. Kardicali Han No. 117, Izmir. WTD in preparation. TMD-17.

355 Special industry machinery

★★ **TURKEY**—Roller gins, similar cotton processing machinery. Sumer Makine Fabrikasi (manufacturer), Mursel Pasa Bulvari 8, Izmir. WTD in preparation. TMD-21.

399 Manufacturing industries

★★ **TURKEY**—Hair pieces, finished. Prefer direct purchase. Sample hair and pieces available on loan from Trade Opportunities Staff, BDSA 624, Rm. 4203, Department of Commerce, Washington, D.C. 20230. Yeni Arbulus International Trading (manufacture), Ordu Cad. 212, Aksaray, Istanbul. WTD in preparation. TMD-41.

472 Arrangement of transportation

★★ **TURKEY**—Liaison with American travel agents. Tourism Transport Ltd. (travel agency), Cumhuriyet Cad. 247 Harbiye, Istanbul. WTD in preparation. TMD-24.

Argentina asks for bids to construct toll bridge

The National Highway Bureau of Argentina is calling for bids for construction of a toll-bridge over the Parana River between the towns of Barranqueras in the Province of Chaco and Corrientes, Province of Corrientes.

Bid deadline is Feb. 6, 1968.

The bridge will be 1,700 meters long, with a minimum clearance of 35 meters at high water. The official budget estimate for this project is 4,688,599,275 Argentine pesos (approximately $13,395,997).

Copies of conditions and technical specifications for this bid are obtainable for 25,000 Argentine pesos ($71.43) from Direccion Nacional de Vialidad, Av. Maipu, 3, Buenos Aires, Argentina. Correspondence is preferred in Spanish.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

GERMANY—Wulf Suelwald, A. F. Suelwald, P.O. Box 33, 28 Bremen-Huchting, **interested in West German agency or distributorship from U.S. manufacturers prepared to contribute financially to advertising expenses for foot-care products except mechanical aids, cosmetic products, proprietary pharmaceuticals.** Dec. 2 via New York for six weeks. c/o H. Molsen & Co., P.O. Box 2132, Dallas, Texas. Itinerary: New York, Washington, Ft. Lauderdale, New Orleans, Dallas. WTD 7/22/66.

SINGAPORE—Lie Hong Sie and his secretary, Miss Liu, representing Tiow Guan Ltd., Liberty Industries Ltd., and Southern Star Ltd., 42 Telok Ayer St., Singapore 1, **interested in importing U.S. ribbed kraft paper, overissued newspapers, suitable paper products for Singapore market and exporting Malayan sawn timber, moulding products, rattan furniture, and requesting technical information on carbon paper manufacture.** Nov. 28 via San Francisco for ten days. c/o Branch Offices, Bank of America en route. Itinerary: San Francisco, Portland, Seattle, New York. WTD in preparation.

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Calendar *for international traders*

ALLENTOWN, Pa.—Nov. 29—World Trade Assn. of Lehigh Valley monthly meeting, Holiday Inn in Bethlehem, Pa.

ATLANTA—Nov. 30—In-Office Export Conference. Sponsor: REEC, Commerce Field Office.

ATLANTA—Nov. 30-Dec. 1—Businessmen's Consultation, **Edmund F. Becker, Commercial Counselor, Bonn.** Sponsor: Commerce Field Office.

BALTIMORE—Nov. 28—In-Office Export Seminar, conference room, Maryland National Bank, 10 Light St. Sponsors: Commerce Field Office, REEC, Md. Nat'l Bank, Md. Port Authority.

BOSTON—Nov. 28—Int'l Economists Roundtable, Int'l Center of New England, 470 Atlantic Ave., 12 noon.

BOSTON—Dec. 11-12—Businessmen's Consultation, **Edmund F. Becker, Commercial Counselor, Bonn.** Sponsor: Commerce Field Office.

CHICAGO—Dec. 12—Automotive Exporters' Club of Chicago, Builders Bldg.

CHICAGO—Dec. 13—Businessmen's Consultation, **Natale H. Bellocchi, Ass't Commercial Attache, Taipei/to Hong Kong.** Sponsor: Commerce Field Office.

CHICAGO—Dec. 14—Int'l Trade Club of Chicago, La Salle Hotel.

DALLAS—Nov. 29—Trade Fairs & Exhibitions Conference, 9 a.m. Sponsors: REEC, Commerce Field Office.

DETROIT—Nov. 28—FCIA Case Study Seminar, Rm. 456, Federal Bldg., 10 a.m. Speaker: Charles Kelsey, Mid-West branch mgr., FCIA. Sponsor: Commerce Field Office.

GRAND RAPIDS, Mich.—Nov. 28—West Michigan World Trade Club dinner meeting, Cliff's London House, 6 p.m. Speaker: **Frank A. Alter, director, Commerce Field Office.**

GREENVILLE, N.C.—Nov. 30—Export Sales Conference, East Carolina Univ. Sponsors: REEC, Commerce Field Office, Eastern N.C. Development Institute.

KANSAS CITY—Nov. 30—In-Office Workshop for New Exporters, Federal Office Bldg. Sponsors: Commerce Field Office, REEC.

KANSAS CITY—Dec. 14—In-Office Workshop for New Exporters, Federal Office Bldg. Sponsors: REEC, Commerce Field Office.

LOS ANGELES—Dec. 8—Export Expansion Seminar, Commerce Field Office, 9 a.m. Sponsor: Commerce Field Office.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,
International Commerce
BIC-204
U.S. Department of Commerce
Washington, D.C. 20230.

LOS ANGELES—Dec 12—Businessmen's Consultation, **Natale H. Bellocchi, Ass't Commercial Attache, Taipei/to Hong Kong.** Sponsor: Commerce Field Office.

MEMPHIS—Dec. 13—Mid-South Exporters Roundtable, "Credit Workshop," Hotel Sheraton-Peabody.

MIAMI—Nov. 29—In-Office Export Workshop, Commerce Field Office, 10 a.m. Topic: Marketing in Central America. Sponsors: REEC, Commerce Field Office.

MILWAUKEE—Dec. 7—Milwaukee World Trade Club, Inc., monthly meeting, Holiday Inn Central. Speaker: Charles Deer, Machinery & Allied Products Institute, Washington, D.C.

NASHVILLE—Nov. 28—Middle Tenn. Exporters Roundtable, "Selling in Japan."

NEW YORK—Nov. 28-29—Businessmen's Consultation, **Wilbur I. Wright, Economic/Commercial Officer, Cairo/to Rome.** Sponsor: Commerce Field Office.

NEW YORK—Nov. 29—Profits in Exports meeting, Maine Maid Restaurant, Jericho, L.I. Sponsors: Chase Manhattan Bank, REEC, Commerce Field Office.

NEW YORK—Dec. 12—Int'l Executives Assn. luncheon, Hotel Statler Hilton, 11:45 a.m. Speaker: Nelson Stitt, U.S.-Japan Trade Council.

PHILADELPHIA—Nov. 27—Businessmen's Consultation, **Wilbur I. Wright, Economic/Commercial Officer, Cairo/to Rome.** Sponsor: Commerce Field Office.

PORTLAND, Ore.—Dec. 8—Businessmen's Consultation, **Natale H. Bellocchi, Ass't Commercial Attache, Taipei/to Hong Kong.** Sponsor: Commerce Field Office.

SAN DIEGO—Dec. 1—REEC Roundtable, Hilton Inn, 9 a.m.; luncheon, 12 noon. Speaker: H. Neil Truscott, Consul General of Australia at San Francisco. Sponsors: Commerce Field Office, San Diego Chamber of Commerce.

SAN FRANCISCO—Nov. 29—General Export Seminar, Rm. 9207, New Federal Bldg., 9:30 a.m.

SAN FRANCISCO—Dec. 11—Businessmen's Consultation, **Natale H. Bellocchi, Ass't Commercial Attache, Taipei/to Hong Kong.** Sponsor: Commerce Field Office.

SEATTLE—Dec. 6-7—Businessmen's Consultation, **Natale H. Bellocchi, Ass't Commercial Attache, Taipei/to Hong Kong.** Sponsor: Commerce Field Office.

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